

**GSBA-RMF**

**Casualty & Crime**  
**Coverage Document**  
**For**

***Muscogee County***  
***School District***



Member Advocate: Olan Hembree  
Georgia School Boards Association  
5120 Sugarloaf Parkway  
Lawrenceville, GA 30043

(800) 226-1856

**Exhibit C**

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## Resource List



### Staff

**Georgia School Boards Association**  
**5120 Sugarloaf Parkway**  
**Lawrenceville, GA 30043**  
**1-800-226-1856 / 770-962-2985**  
**Fax: 770-962-7095**

Trudy Sowar [tsowar@gsba.com](mailto:tsowar@gsba.com)  
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Lorena Correa [lcorrea@gsba.com](mailto:lcorrea@gsba.com)  
Ricky Brantley [rbrantley@gsba.com](mailto:rbrantley@gsba.com)  
Lori Sours [lsours@gsba.com](mailto:lsours@gsba.com)

**(All Claims except for Auto Claims)**

**Michael Collins [mcollins@gsba.com](mailto:mcollins@gsba.com) 770-682-1182 or 888-245-4722 ext. 17**

### Administrator / Broker

**Marsh USA**  
**3560 Lenox Road, Suite 2400**  
**Atlanta, GA 30326**  
**404-995-3000**  
**Fax: 404-760-5725**

Greg Light [Gregory.S.Light@marsh.com](mailto:Gregory.S.Light@marsh.com)  
Tom Flynn [Thomas.Flynn@marsh.com](mailto:Thomas.Flynn@marsh.com)

Lorie Huss [Lorie.D.Huss@marsh.com](mailto:Lorie.D.Huss@marsh.com)  
Marsh Admin [gsba.admin@marsh.com](mailto:gsba.admin@marsh.com)

### Third Party Claims Administrator **(All Auto Claims)**

**Underwriters Safety & Claims**  
**P.O. Box 465328**  
**Lawrenceville, GA 30042**  
**Phone: (1-888-245-4722 ext. 16)**  
**Fax: (678) 376-0056**

Scott O'Brien [Sobrien@uscky.com](mailto:Sobrien@uscky.com)  
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# Casualty & Crime

## General Coverage Declarations

**Named Member:** Muscogee County School District

**Address:** 2960 Macon Road  
Columbus, GA 31906

### Member Coverage Document #706-C-070113

Georgia School Boards Association Risk Management Fund (GSBA-RMF) is an interlocal risk management agency established under the authority of the Official Code of Georgia Annotated 20-2-2001 et seq. It is a risk sharing arrangement amongst Georgia school districts.

This Coverage Document is not an insurance contract. In accordance with the Constitution of the State of Georgia and the Official Code of Georgia Annotated 20-2-2020, this Coverage Document does not waive any immunity of the Member under applicable law.

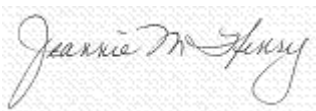
In accordance with your instructions, the following coverage is provided by GSBA-RMF.

#### Coverage:

General Liability	Covered
School Leaders Liability	Covered
Law Enforcement Liability	Covered
Automobile Liability	Covered
Crime	Covered

**Agreement Period:** From 01-JUL-2013 at 12:01 **a.m. local time** at Named Member's address shown above to 01-JUL-2014 at 12:01 **a.m. local time** at Named Member's address above.

The coverage, terms and conditions outlined in this Coverage Document supersede any previously issued documents. This Coverage Document is the GSBA-RMF governing document and should you find any inaccuracies in the description of coverage, please advise your Member Advocate as soon as possible.



**Executive Director**  
**GSBA Risk Management Services**

## GSBA-Risk Management Fund

## FY 2014 Coverage Agreement

## Section I - Limits of Liability

*The Limits of Liability stated below are more fully described in the appropriate coverage parts.*

### General Liability

General Aggregate .....	\$1,000,000
Products Completed Operations Aggregate.....	\$1,000,000
Each Occurrence.....	\$1,000,000
Personal Injury & Advertising Injury Liability .....	\$1,000,000
Fire, Water, Lightning & Explosion Damage Legal Liability .....	\$50,000
Deductible .....	\$0
Employee Benefits Liability (Claims Made)	
Each Negligent Act .....	\$1,000,000
Aggregate .....	\$1,000,000
Deductible.....	\$0
Retroactive Date: 07/01/1986	

Mold and Fungus Sub-limit \$50,000; annual member aggregate/\$200,000 GSBA-RMF shared annual aggregate.

### School Leaders Liability (Claims Made)

Aggregate Each Agreement Period – Coverage A & Coverage B	\$2,000,000
Coverage A - Errors and Omissions	
Each Wrongful Act .....	\$2,000,000
Deductible .....	\$10,000
Retroactive Date: 07/01/1986	
Coverage B - Sexual Abuse	
Each Wrongful Act.....	\$1,000,000
Deductible.....	\$1,000
Retroactive Date: 07/01/2002	
Coverage C – Defense Cost only	
Each Wrongful Act.....	\$50,000
Aggregate Each Agreement Period .....	\$100,000
Deductible.....	\$10,000
Retroactive Date: 10/01/2000	
Coverage D – Defense Cost in Special Education Cases	
Coverage Part 1 – Defense for Named Member	
Each Wrongful Act.....	\$50,000
Aggregate Each Agreement Period .....	\$100,000
Deductible.....	\$10,000
Retroactive Date: 10/01/2000	

## GSBA-Risk Management Fund

## FY 2014 Coverage Agreement

**Limits of Liability – Continued**

## Coverage Part 2 – Defense and Ancillary Costs other than to Named Member

Each Wrongful Act .....	\$250,000
Aggregate Each Agreement Period .....	\$250,000
Deductible .....	\$10,000
Retroactive Date: 10/01/2000	

**Law Enforcement Liability (Claims Made)**

Maximum Limit, Each Claimant .....	\$1,000,000
Maximum Limit, Each Occurrence .....	\$1,000,000
Maximum Aggregate Limit .....	\$1,000,000
Deductible .....	\$10,000
Retroactive Date: 01-JUL-2010	

**Automobile Liability**

Per Person – Bodily Injury .....	\$1,000,000
Per Accident – Bodily Injury and Property Damage .....	\$1,000,000
Uninsured / Underinsured motorists (Limit applies per accident) .....	\$75,000
Medical Payments (per person) .....	\$5,000
Deductible .....	\$25,000

**Crime**

Money & Securities (Coverage Within Premises) .....	\$100,000
Deductible .....	\$5,000
Money & Securities (Coverage Outside Premises) .....	\$100,000
Deductible .....	\$5,000
Employee Dishonesty/Faithful Performance Coverage .....	\$100,000
Deductible .....	\$5,000
Depositor's Forgery .....	\$100,000
Deductible .....	\$5,000
Computer Fraud .....	\$100,000
Deductible .....	\$5,000
Excess Crime Coverage (*) .....	\$1,000,000

**Surety Bonds**

Superintendent Bond .....	\$250,000
Treasurer's Bond .....	\$200,000
Drivers Education Bond .....	Not Covered

(\*) Note: "Excess Crime" is a master excess policy for members of the GSBA-RMF who purchase Money & Securities, Employee Dishonesty, Depositor's Forgery and Computer Fraud Coverage. The terms, conditions, and coverage of the excess policy may not be concurrent with the primary GSBA-RMF crime coverage. Please refer to the actual terms and conditions of the policy.

## Section II - Common Definitions

1. **“Named Member”** - The entity indicated on the cover page of this Coverage Document and which has entered into a membership agreement with GSBA-RMF.
2. **“Advertising Injury”**- Means injury arising out of one or more of the following offenses:
  - a. Misappropriation of advertising ideas or style of doing business; or
  - b. Infringement of copyright, trade dress or slogan.
3. **"Accident"** - Means continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
4. **“Auto”**- Means a land motor vehicle, and any attached trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment or any other land vehicle that is subject to a compulsory or financial responsibility law or motor vehicle insurance law where it is licensed or principally garaged, but does not include “mobile equipment.”
5. **“Bodily Injury”**- Means bodily injury, sickness, or disease sustained by a person, including death resulting from any of these at any time resulting from a covered occurrence.
6. **“Coverage Period”**- Means the Agreement Period shown in the General Coverage Declarations or the period of time from the beginning of the Agreement Period to the date on which this Coverage Document is cancelled or terminated, if this Coverage Document is cancelled or terminated prior to the end of the Agreement Period.
7. **"Covered Pollution Cost or Expense"** - Means any cost or expense arising out of:
  - a. Any request, demand or order; or
  - b. Any “claim” or “suit” by or on behalf of a governmental authority demanding that the “member” or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “pollutants”.

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- (1) That are on, or that are contained in any property that is:
  - (i) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
  - (ii) Otherwise in the course of transit by or on behalf of the "member";
  - (iii) Being stored, disposed of treated or processed in or upon the covered "auto"; or
- (2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "member" for movement into or onto the covered "auto"; or

- (3) After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "member".

Paragraph 1 above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- a. The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- b. The "bodily injury," "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in paragraphs b, or c. of the definition of "mobile equipment."

Paragraph 2 and 3 above do not apply to "accidents" that occur away from premises owned by or rented to a "member" with respect to "pollutants" in or upon a covered "auto" if:

- a. The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- b. The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

**8. "Coverage Territory"- Means:**

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in (a), above; or
- c. All parts of the world if:
  - (1) The injury or damage arises out of:
    - (i) Goods or products made or sold by a Member in the territory described in a. above;
    - (ii) The activities of a member whose home is in the territory described in a. above, but is away for a short time on a Member's business; or
    - (iii) "Personal injury" or "advertising injury" offenses that take place through the Internet or similar electronic means of communication; and
  - (2) The Member's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement to which we agree.

**9. "Employee"-** A person working for the "Named Member" including a substitute teacher and a "leased worker." "Employee" does not include a "temporary worker."

**10. "Impaired Property"-** Means tangible property, other than "a Member's product" or "a Member's work", that cannot be used or is less useful because:



- a. It incorporates “a Member’s product” or “a Member’s work” that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. A Member has failed to fulfill the terms of a contract or agreement; if such property can be restored to use by;
- c. The repair, replacement, adjustment or removal of “a Member’s product” or “a Member’s work”; or
- d. The Member fulfilling the terms of the contract or agreement.

**11. “Covered Contract”- Means:**

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to a Member or temporarily occupied by a Member with permission of the owner is not a “covered contract”;
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to a Member’s business (including an indemnification of a municipality in connection with work performed for a municipality) under which a Member assumes the tort liability of another party to pay for “bodily injury” or “property damage” to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for “bodily injury” or “property damage” arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (i) Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
  - (ii) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the Member, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the Member’s rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering services.

**12. “Law Enforcement Activities”- Means**

- a. Authorized law enforcement-related duties conducted by any Member for or on behalf of the Named Member;
- b. Authorized off-duty law enforcement-related activities conducted by any Member; or
- c. Authorized law enforcement assistance rendered by any Member pursuant to a “covered contract”.

**13. “Law Enforcement Occurrence”- Means an event, including continuous or repeated exposure to substantially the same general harmful conditions, which takes place during the “coverage period” and results in:**

- a. “Personal injury”, and which arises out of, and is committed during the course and scope of, Law Enforcement Activities;
- b. “Bodily injury” or property damage”, and which arises out of the ownership, maintenance or use of premises by the Member for the purpose of conducting Law Enforcement Activities; or
- c. “Bodily injury” or “property damage”, and which results from any actual or alleged act, error or omission, neglect or breach of duty by a Member that arises out of, and is committed during the course and scope of Law Enforcement Activities.

Any “law enforcement occurrence” that is continuous or part of a series of repeated or related “law enforcement occurrences” will be considered to be a single “law enforcement occurrence” and will be considered to have commenced when the first “law enforcement occurrence” commenced regardless of:

- 1. The number of persons engaged in such “law enforcement occurrences”;
- 2. The number of persons affected by such “law enforcement occurrences”;
- 3. The number of locations where such “law enforcement occurrences” occurred; or
- 4. The number of such “law enforcement occurrences” or period of time over which they occurred, even if subsequent “law enforcement occurrences” occurred after the “coverage period”.

**14. “Leased Worker”- Means a person leased to a Member by a labor leasing firm under an agreement between the Member and the labor leasing firm, to perform duties related to the conduct of the Member’s business. “Leased worker” does not include a “temporary worker”.**

**15. “Loading or Unloading”- Means the handling of property:**

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or “auto”;
- b. While it is in or on an aircraft, watercraft or “auto”; or

- c. While it is being moved from an aircraft, watercraft or “auto” to the place where it is finally delivered;

but “loading or unloading” does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or “auto”.

**16. “Mobile Equipment”**- Means any of the following types of land vehicles, including any attached trailers, machinery or equipment;

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises owned or rented by a Member;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted;
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers.
- e. Vehicles not described in a., b., c., or d., above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c., or d., above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not “mobile equipment” but will be considered “autos”:

- (1) Equipment designed primarily for:
  - (i) Snow removal;
  - (ii) Road maintenance, but not construction or resurfacing; or
  - (iii) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, and building cleaning, geophysical exploration, lighting and well servicing equipment.

However, “mobile equipment” does not include any land vehicle that is subject to compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or motor vehicle

insurance law are considered “autos”.

- 17. “Occurrence”-** Means an accident, including continuous or repeated exposure to substantially the same general harmful conditions. Any “occurrence” that is continuous or part of a series of repeated or related “occurrences” will be considered to be a single “occurrence” and will be considered to have commenced when the first “occurrence” commenced regardless of:
1. The number of persons engaged in such “occurrences”;
  2. The number of persons affected by such “occurrences”;
  3. The number of locations where such “occurrences” occurred; or
  4. The number of such “occurrences” or period of time over which they occurred, even if subsequent “occurrences” occurred after the “coverage period”.
- 18. “Personal Injury”-** Means injury, including consequential “bodily injury”, arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies committed by or on behalf of its owner, landlord or lessor;
  - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person’s or organization’s goods, products or services; or
  - e. Oral or written publication of material that violates a person’s right of privacy.
- 19. “Pollutants”-** Means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes any material:
- a. That is left over, no longer of use, or discarded; or
  - b. That is to be reclaimed, recycled, reconditioned or reused; or
  - c. That has been removed, treated, stored, or disposed of as part of any cleanup effort.
- 20. “Products-Completed Operations Hazard”-** Means:
- a. “Products-completed operations hazard” includes all “bodily injury” and “property damage” occurring away from premises owned or rented by a Member and arising out of “a Member’s product” or “a Member’s work” except:
    - (1) Products that are still in a “members” physical possession; or
    - (2) Work that has not yet been completed or abandoned.
  - b. “A Member’s work” will be deemed completed at the earliest of the following times:
    - (1) When all of the work called for in a Member’s contract has been completed.
    - (2) When all of the work to be done at the site has been completed if the Member’s contract calls for work at more than one site.

- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- c. "Products-completed operations hazard" does not include "bodily injury" or "property damage" arising out of:
  - (1) The transportation of property unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by a Member created by the "loading or unloading" of it by a Member; or
  - (2) The existence of tools, uninstalled equipment or abandoned or unused materials.

**21. "Property Damage"- Means:**

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

**22. "A Member's Product"- Means:**

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - (1) A Member;
  - (2) Others trading under a Member's name; or
  - (3) A person or organization whose business or assets a member has acquired; and
- b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"A Member's product" includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "a Member's product"; and
- (2). The providing of or failure to provide warnings or instructions.

"A Member's product" does not include vending machines or other property rented to or located for the use of others but not sold.

**23. "Temporary Worker"- Means a person who is furnished to a Member to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.**

**24. "A Member's Work"- Means:**

- a. Work or operations performed by a Member or on a Member's behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

"A Member's work" includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of “a Member’s work”; and
- (2) The providing of or failure to provide warnings or instructions.

**25. "Trailer" -** The term “trailer” includes semi-trailer.

**26. Allocated Loss Adjustment Expenses (ALAE) -** The term “allocated loss adjustment expenses” refers to those expenses associated with a claim or “suit” for outside investigation, surveillance, travel, expert witness, attorneys and any other related expenses. In the event of a loss placed against any of the coverage parts incumbent to the GSBA-RMF, ALAE will accumulate toward the exhaustion of a Named Member’s deductible.

## Section III – Common General Conditions

It is agreed that the terms and conditions outlined below apply to all coverages under this Coverage Document except as specifically stated otherwise under the specific coverage part or section.

### 1. Who Is Covered:

It is agreed that the unqualified word “Member” wherever used in this Coverage Document includes not only the Named Member but also:

- a. Any of the following operated by or under the Named Member’s jurisdiction:
  - (1) Commissions;
  - (2) Boards;
  - (3) Authorities;
  - (4) Administrative departments; or
  - (5) Other similar units authorized by the Member.
- b. Any of the following, while acting within the scope of their employment, or duties authorized by the Named Member:
  - (1) “Employees” of the Named Member;
  - (2) Authorized Volunteers;
  - (3) Student teachers; or
  - (4) Officers and members of the entities listed in a. above.

***However, “Member” does not include Parent Teacher Organizations, Parent Teacher Associations or Booster Clubs.***

- c. Any duly elected or appointed officials or a member of the Named Member’s governing body while acting within the scope of their duties authorized by the Named Member.
- d. Any person or organization to whom a Member is obligated by virtue of a written or oral contract to provide coverage such as is afforded by this Coverage Document, but only with respect to operations for the Named Member or to facilities owned, rented to or used by the Named Member and only if GSBA-RMF has designated such person or organization as an additional Member covered hereunder.
- e. With respect to “mobile equipment” registered in the name of the Named Member under any motor vehicle registration law, any person is covered while driving such equipment along a public highway with the Named Member’s permission. Any other person or organization responsible for the conduct of such person is also a Member covered hereunder, but shall only be covered with respect to liability arising out of the operation of the “mobile equipment”, and only if no other coverage of any kind is available to that person or organization for this liability.
- f. With respects Section VII - Automobile Liability, anyone while authorized by the Named Member to use a covered “auto”, including any authorized volunteers of the Named Member, while within the scope of their duties necessary to the Named Member’s school operations except:
  - (1) The owner or anyone else, from whom the Named Member hires, leases or rents a covered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a

- covered "auto" the Named Member owns.
  - (2) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing or parking "autos" unless that business is the Named Member's.
  - (3) Anyone other than your employees, or a lessee or borrower or any of their employees, while moving property to or from a covered "auto".
- g. With respects Section VII - Automobile Liability, Coverage B - Automobile Medical Payments, anyone occupying a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.
- h. However, no "employee", volunteer or student teacher is a Member for:
- (1) "Bodily injury", "personal injury" or "advertising injury":
    - (A) To the Named Member, to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of the Named Member's business, or to any volunteer or student teacher while performing duties related to the conduct of the Named Member's business;
    - (B) To the spouse, child, parent or sibling of that co-"employee" or volunteer or student teacher as a consequence of Paragraph (1)(A) above; or
    - (C) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(A) or (B) above.
  - (2) "Property damage" to property:
    - (A) Owned, occupied or used by; or
    - (B) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by the Named Member, any "employee", a volunteer or any student teacher.

## **2. Duties In The Event of Occurrence, Offense, Claim, Alleged Act, or Suit**

- a. The Named Member must see to it that GSBA-RMF is notified as soon as practicable of an "occurrence", "negligent act", "wrongful act", "law enforcement occurrence" or an offense or an alleged act which may result in a "claim". To the extent possible, notice should include as many details as possible, including but not limited to:
- (1) How, when and where the "occurrence" or offense or alleged act took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the "occurrence, offense or alleged act.
- b. If a "claim" is made or "suit" is brought against any Member, the Named Member must:
- (1) Immediately record the specifics of the "claim" or "suit" and the date received; and
  - (2) Notify GSBA-RMF and/or its authorized representatives as soon as practicable.
- The Named Member must see to it that GSBA-RMF and/or its authorized representatives receive written notice of the "claim" or "suit" as soon as practicable.



- c. The Named Member and any other involved Member must:
  - (1) Immediately send GSBA-RMF and/or its authorized representatives copies of any demands, notices, summonses or legal papers received in connection with the “claim” or “suit”;
  - (2) Authorize GSBA-RMF and/or its authorized representatives to obtain records and other information;
  - (3) Cooperate with GSBA-RMF and/or its authorized representatives in the investigation, settlement or defense of the “claim” or “suit”; and
  - (4) Assist GSBA-RMF and/or its authorized representatives, upon their request, in the enforcement of any right against any person or organization which may be liable to the Member because of injury or damage to which this coverage may also apply.
- d. No Member will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the consent of GSBA-RMF or its authorized representatives.

### **3. Legal Action Against GSBA-RMF.**

No person or organization has a right under this Coverage Document:

- a. To join GSBA-RMF as a party or otherwise bring GSBA-RMF into a “suit” asking for damages from a Member; or
- b. To sue GSBA-RMF on this Coverage Document unless and until all of its terms have been fully complied with.

A person or organization may sue GSBA-RMF to recover on an agreed settlement or on a final judgment against a Member obtained after an actual trial; but GSBA-RMF will not be liable for damages that are not payable under the terms of this Coverage Document or that are in excess of the applicable limits of liability. An agreed settlement means a settlement and release of liability signed by GSBA-RMF, the Member and the claimant or the claimant’s legal representative.

### **4. Insurance.**

- a. If valid and collectible insurance is available to the Member for a loss covered by GSBA-RMF under any coverage within this Coverage Document, the obligations of GSBA-RMF are excess over the available and collectible insurance.
- b. When this coverage is excess, GSBA-RMF will have no duty to defend any Member against any “suit” if any insurer has a duty to defend the Member against that “suit”. If no insurer defends, GSBA-RMF will undertake to do so, but GSBA-RMF will be entitled to the Member’s rights against all such insurers.
- c. When this coverage is excess over valid and collectible insurance available to the Member, GSBA-RMF will pay only its share of the amount of the loss, if any, that exceeds the sum of:
  - (1) The total amount that all such insurance would pay for the loss in the absence of this coverage; and
  - (2) The total of all deductible and self-insured amounts under all such insurance.

**5. Representations.**

By accepting this Coverage Document, the Named Member agrees:

- a. The statements in the General Coverage Declarations are accurate and complete;
- b. Those statements are based upon representations the Named Member made to GSBA-RMF; and
- c. GSBA-RMF has issued this Coverage Document in reliance upon the representations of the Named Member.

**6. Unintentional Error or Omissions.**

Any unintentional error or omissions made by the Member shall not void or impair the coverage provided under this Coverage Document provided the Member reports such error or omission as soon as reasonably possible after discovery by the Member.

**7. Authorship.**

Regardless of who may have drafted or prepared this Coverage Document, or any portions thereof, the provisions contained herein shall be deemed to have been authored by GSBA-RMF.

**8. Cancellation.**

This Coverage Document may be canceled in accordance with the Intergovernmental Contract executed by the Named Member, the Bylaws of GSBA-RMF and the Rules and Regulations of the Georgia Insurance Department.

In the event the GSBA-RMF cancels this Coverage Document prior to the end of the Agreement Period shown in the General Coverage Declarations for any reason other than non-payment of Contributions or if the GSBA-RMF non-renews this Coverage Document, the GSBA-RMF will provide 45 days advance written notice (15 days in the event of cancellation for nonpayment of Contributions to the Named Member and certificate holder(s) on file with the GSBA-RMF.

In the event the Named Member cancels this Coverage Document for any reason prior to the end of the Agreement Period shown in the General Coverage Declarations or if the Named Member non-renews this Coverage Document, the GSBA-RMF will provide notice to the certificate holder(s) on file with the GSBA-RMF within 14 days of receiving such written notification.

If this Agreement is canceled by the Named Member prior to the end of the Agreement Period shown in the General Coverage Declarations, there shall be a short rate penalty of 10% applied to the unearned Contribution.

**9. Liberalization Clause**

If GSBA-RMF adopts any revision that would broaden the coverage under this Coverage Document without requiring additional Named Member Contribution within 45 days prior to or during the Agreement Period shown in the General Coverage Declarations, the broadened coverage will apply to this Coverage Document immediately upon the effective date specified by GSBA-RMF.

**10. Known Injury or Damage**

Coverage provided under this Coverage Document only applies if:

- a. Prior to the "coverage period", no Named Member and no "employee" authorized by the Named Member to give or receive notice of an "occurrence," "negligent act," "wrongful act", "law enforcement occurrence", "claim" or any other incident, had any knowledge of any incident or allegation of such incident for which coverage is sought under this Coverage Document. If such Named Member or authorized "employee" knew, prior to the "coverage period", of such an incident or allegation of such incident, then any continuation, change or resumption of damages resulting from such incident during or after the "coverage period" will be deemed to have been known prior to the "coverage period".
- b. Knowledge of an "occurrence," "negligent act", "wrongful act", "law enforcement occurrence", "claim" or any other incident will be deemed to have been known to have occurred at the earliest time when any Member authorized by the Named Member to give or receive notice of such incident:
  - (1) Reports all or any part, of such incident to us or any other insurer;
  - (2) Receives a written or verbal demand or "claim" for injury or damages; or
  - (3) Becomes aware by any other means that an incident is alleged to have occurred, has occurred or has begun to occur that could give rise to injury or damages.

## **11, Subrogation**

If the Member has rights to recover all or part of any payment GSBA-RMF has made under this Coverage Document from another person or entity, those rights are transferred to GSBA-RMF. The Member must do nothing to impair such rights. At the request of GSBA-RMF, the Member will bring "suit" or transfer those rights to GSBA-RMF and assist GSBA-RMF in enforcing them.

## **12. Arbitration**

As a condition precedent to any right of action hereunder, any dispute or difference between a Member and GSBA-RMF relating to the interpretation and/or performance of this Coverage Document, including its formation and/or validity, and/or any transaction under this Coverage Document, whether arising before or after the "coverage period", shall be submitted to arbitration.

Upon written request of either party hereto, each party shall choose an arbitrator and the two chosen shall select a third arbitrator. If either party refuses or neglects to appoint an arbitrator within thirty (30) days after receipt of the written request for arbitration, the requesting party may appoint a second arbitrator.

If the two arbitrators fail to agree on the selection of a third arbitrator within thirty (30) days of their appointment, either party may petition the American Arbitration Association to appoint the third arbitrator. If the American Arbitration Association fails to appoint the third arbitrator within thirty (30) days after it has been requested to do so, either party may request a court of the general jurisdiction of the State of Georgia to appoint the third arbitrator. All arbitrators shall be active or retired officers of insurance or reinsurance companies, and disinterested in the outcome of the arbitration. Each party shall submit its case to the arbitrators within thirty (30) days of the appointment of the third arbitrator.

The parties hereby waive all objections to the method of selection of the arbitrators, since it is the intention of both parties that all the arbitrators be chosen pursuant to the method agreed herein.

The arbitration shall proceed in accordance with the commercial arbitration rules of the American Arbitration Association. The arbitration will utilize the laws of Georgia as the governing law. The arbitrators shall have the power to determine all procedural rules for the holding of the arbitration including, but not limited to,

inspection of documents, examination of witnesses and any other matter relating to the conduct of the arbitration. The arbitrators shall interpret this Coverage Document as an honorable engagement and not as merely a legal obligation; they are relieved of all judicial formalities and may abstain from following the strict rules of law. The arbitrators may award interest and costs, except that each party shall bear the expenses of its own arbitrator and share equally with the other party the expenses of the third arbitrator of the arbitration.

In the event of a dispute between a Member and GSBA-RMF over whether or not a loss or “claim” against the Member is within the meaning of the provisions of this Coverage Document and therefore subject to the terms of this Coverage Document, the arbitrator will decide whether or not the loss or “claim” that is the subject of the arbitration is a “claim” or loss as defined by the terms of this Coverage Document. If the “claim” or loss is purportedly caused by or arises from multiple factors, then the arbitrator will decide and/or determine in a reasoned decision whether or not the loss arises out of or relates to a covered event. In such determination, the arbitrator shall utilize the “but for” standard of causation; that is, but for anything related to a covered event would the loss have occurred. If the loss is in any way related to a covered event, then the loss will be subject to the terms and conditions of this Coverage Document.

The decision in writing of the majority of the arbitrators shall be final and binding upon both parties. Judgment may be entered upon the final decision of the arbitrators in any court having jurisdiction. The results of the arbitration are final and binding on all parties and will be utilized in any claim or controversy that arises under this Coverage Document. The Member and GSBA-RMF agree to consider themselves bound by the arbitration decision.

The arbitration shall take place in the City of Atlanta, unless otherwise mutually agreed between the Member and GSBA-RMF.

This condition shall remain in full force and effect in the event any other provision of this Coverage Document shall be found invalid or non-binding.

## Section IV – General Liability

### Coverage A - Bodily Injury and Property Damage Liability

#### 1. Coverage Agreement

- a. GSBA-RMF will pay those sums that the Named Member becomes legally obligated to pay as damages because of “bodily injury” or “property damage” to which this coverage applies. GSBA-RMF will have the right and duty to defend the Member against any “suit” seeking those damages. However, GSBA-RMF will have no duty to defend any Member against any “suit” seeking damages for “bodily injury” or “property damage” to which this coverage does not apply. GSBA-RMF may at our discretion investigate any “occurrence” and settle any claim or “suit” that may result. But:

1. The amount GSBA-RMF will pay for damages is limited as described in Paragraph 2. (Limits of Liability) in Common Conditions Specific to Section IV – General Liability; and
2. The right and duty of GSBA-RMF to defend ends when the applicable limit of liability is exhausted in the payment of judgments or settlements under Coverage A and/or B and/or C.

No other obligations or liability to pay sums or perform acts or services is covered unless explicitly provided for under Paragraph 1. (Supplementary Payments) in Common Conditions Specific to Section IV – General Liability.

- b. This coverage applies to “bodily injury” and “property damage” only if:
1. The “bodily injury” or “property damage” is caused by an “occurrence” that takes place in the “coverage territory”; and
  2. The “bodily injury” or “property damage” occurs during the “coverage period”.
- c. Damages because of “bodily injury” include damages claimed by any person or organization for care, loss of services or death resulting at any time from the “bodily injury”.

#### 2. Deductible

For each “occurrence”, this coverage applies only to amounts arising from such “occurrence” over the deductible shown in Section I – Limits of Liability. GSBA-RMF will only pay amounts that exceed the deductible up to the limits of liability, as fully described in Paragraph 2. (Limits of Liability) in Common Conditions Specific to Section IV – General Liability. The deductible amount is within the applicable limit of liability.

#### 3. Exclusions

This coverage does not apply to:

##### a. Expected or Intended Injury

“Bodily injury” or “property damage” expected or intended from the standpoint of the Member. This exclusion does not apply to “bodily injury” resulting from:

1. The use of reasonable force to protect persons or property, except for those activities defined herein as “Law enforcement activities”; or
2. Corporal punishment to any student or pupil administered by or at the direction of the Member, provided that the Named Member has adopted a policy authorizing the use of

corporal punishment. However, a Member who administers corporal punishment or at whose direct corporal punishment is administered will not be covered hereunder if that Member knew or should have known that such corporal punishment did not comply with the Named Member's policy authorizing the use of corporal punishment.

**b. Contractual Liability**

"Bodily injury" or "property damage" for which the Member is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

1. Assumed in a contract or agreement that is a "covered contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
2. That the Member would have in the absence of the contract or agreement.

Solely for purposes of liability assumed in a "covered contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than the Member are deemed to be damages because of "bodily injury" or "property damage", provided:

1. Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "covered contract"; and
2. Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this coverage applies are alleged.

**c. Liquor Liability**

"Bodily injury" or "property damage" for which any Member may be held liable by reason of:

1. Causing or contributing to the intoxication of any person;
2. The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
3. Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

**d. Workers' Compensation and Similar Laws**

Any obligation of the Member under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

**e. Employers' Liability**

"Bodily Injury" to:

1. An "employee" of the Member arising out of and in the course of:
  - (i) Employment by the Member; or
  - (ii) Performing duties related to the conduct of the Member's business; or
2. The spouse, child, parent, brother or sister of that "employee" as a consequence of paragraph (1) above.

This exclusion applies:

1. Whether the Member may be liable as an employer or in any other capacity; and
2. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the Member under a “covered contract”.

**f. Pollution**

1. “Bodily injury” or “property damage” arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of “pollutants”;
  - (i) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any Member;
  - (ii) At or from any premises, site or location which is or was at any time used by or for any Member or others for the handling, storage, disposal, processing or treatment of waste;
  - (iii) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any Member or any person or organization for whom the Named Member may be legally responsible; or
  - (iv) At or from any premises, site or location on which any Member or any contractors or subcontractors working directly or indirectly on any Member’s behalf are performing operations:
    - (a) If the “pollutants” are brought on or to the premises, site or location in connection with such operations by such Member, contractor or subcontractor; or
    - (b) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “pollutants”.

**Hostile Fire**

Subparagraphs (i) and (iv)(a) do not apply to “bodily injury” or “property damage” arising out of heat, smoke or fumes from a hostile fire. As used in this exclusion, a hostile fire means one, which becomes uncontrollable or breaks out from the place where it was intended to be confined.

**School Science Laboratory**

Subparagraph (i) does not apply to “bodily injury” or “property damage” arising out of the release or escape of chemicals or materials if it occurs within or from a school building as part of the operation of a school science laboratory. However, this exception to the pollution exclusion does not apply to “bodily injury,” or “property damage” arising out of, or in any way related to, the disposal of waste.

**Certain Building Equipment**

Subparagraphs (i) and (iv)(a) do not apply to “bodily injury” if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat, cool or dehumidify that building or equipment that is used to heat water for personal use by the building’s occupants or their guests.

**Other Circumstances**

Subparagraph (i) does not apply to “bodily injury” or “property damage” for which the Named Member may be held liable, if the Named Member is a contractor and the owner or lessee of such premises, site or location is covered under this Coverage Document as an



additional Member under Section III.1.d. with respect to ongoing operations performed for such additional Member at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to any Member, other than that additional Member.

Subparagraph (iv)(a) does not apply to “bodily injury” or “property damage” arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of “mobile equipment” or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold them. This exception does not apply if the “bodily injury” or “property damage” arises out of the intentional discharge, dispersal or release of fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of operations being performed by such Member, contractor or subcontractor.

Subparagraph (iv)(a) does not apply to “bodily injury” or “property damage” sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by the Named Member or on the Named Member’s behalf by a contractor or subcontractor.

2. Any loss, cost or expense arising out of any:
  - (i) Request, demand, order or statutory or regulatory requirement that any Member or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “pollutants”; or
  - (ii) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of “pollutants”.

However, this paragraph does not apply to liability for damages because of “property damage” that the Member would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or “suit” by or on behalf of a governmental authority.

**g. Aircraft, Auto or Watercraft**

“Bodily injury” or “property damage” arising out of the ownership, maintenance, use or entrustment to others of any aircraft, “auto” or watercraft owned or operated by or rented or loaned to any Member. Use includes operation and “loading or unloading”.

This exclusion applies even if the claims against any Member allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that Member, if the “occurrence” that caused the “bodily injury” or “property damage” involved the ownership, maintenance, use or entrustment to others of any aircraft, “auto” or watercraft that is owned or operated by or rented or loaned to any Member.

This exclusion does not apply to:

1. A watercraft while ashore on premises owned or rented by any Member;



2. A watercraft not owned by a Member that is:
  - (i) Less than 50 feet long and being used for social, philanthropic, athletic or instructional events;
  - (ii) Not being used to carry persons or property for a charge;
3. Parking an “auto” on, or on the ways next to, premises owned by or rented to any Member, provided the “auto” is not owned by or rented or loaned to any Member or the Named Member;
4. Liability assumed under any “covered contract” for the ownership, maintenance or use of aircraft, or watercraft;
5. The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of “mobile equipment” if it were not subject to compulsory financial responsibility law or motor vehicle insurance law where it is principally licensed or garaged; or
6. “Bodily injury” or “property damage” arising out of the operation of any of the equipment listed in paragraph f.(2) or f.(3) of the definition of “mobile equipment”.

**h. Mobile Equipment**

“Bodily injury” or “property damage” arising out of:

1. The transportation of “mobile equipment” by an “auto” owned or operated by or rented or loaned to any Member; or
2. The use of “mobile equipment” in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

**i. War**

“Bodily injury” or “property damage” due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

**j. Damage to Property**

“Property damage” to:

1. Property owned, rented or occupied by any Member, including any costs or expenses incurred by a Member or any other person, organization or entity for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another’s property;
2. Premises any Member sells, gives away or abandons, if the “property damage” arises out of any part of those premises;
3. Property loaned to the Member;
4. Personal property in the care, custody or control of the Member;
5. That particular part of real property on which the Member or any contractors or subcontractors working directly or indirectly on the Member’s behalf are performing operations, if the “property damage” arises out of those operations; or
6. That particular part of any property that must be restored, repaired or replaced because “the Member’s work” was incorrectly performed on it.

Paragraph 2. of this exclusion does not apply if the premises are “a Member’s work” and were never occupied, rented or held for rental by the Member.

Paragraphs 3., 4., 5. and 6. of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph 6. of this exclusion does not apply to “property damage” included in the “products-completed operations hazard”.

**k. Damage to “A Member’s Product”**

“Property damage” to “a Member’s product” arising out of it or any part of it.

**l. Damage to “A Member’s Work”**

“Property damage” to “a Member’s work” arising out of it or any part of it and included in the “products-completed operations hazard”.

This exclusion does not apply if a subcontractor performed the damaged work or the work out of which the damage arises for the Member.

**m. Damage to Impaired Property or Property Not Physically Injured**

“Property damage” to “impaired property” or property that has not been physically injured, or destroyed, arising out of:

1. A defect, deficiency, inadequacy or dangerous condition in “a Member’s product” or “a Member’s work”; or
2. A delay or failure by any Member or anyone acting on the Member’s behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to “a Member’s product” or “a Member’s work” after it has been put to its intended use.

**n. Recall of Products, Work or Impaired Property**

Damages claimed for any loss, cost or expense incurred by a Member or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

1. “A Member’s product”;
2. “A Member’s work”; or
3. “Impaired property”;

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

Exclusions c. through n. do not apply to damage by fire, water, lightning or explosion to premises while rented to a Member or temporarily occupied by a Member with permission of the owner. A separate limit of coverage applies to this coverage as described in Section I of this Coverage Agreement entitled **Limits of Liability**.

**o. Specified Operations**

“Bodily Injury” or “Property Damage” arising out of:

1. trampolines, springboards, or any other rebounding devices exceeding six feet in diameter,
2. diving boards exceeding 3 meters in height, diving platforms exceeding 3 meters in height;
3. rodeos;
4. scuba diving, except for instructional classes in a swimming pool;

5. mountain climbing or technical rock climbing;
6. white water rafting or kayaking;
7. survival camps;
8. fireworks, the igniting or discharging of fireworks in conjunction with any display, demonstration or show, conducted or sponsored by any member. Fireworks include but are not limited to firecrackers and all aerial or ground displays.
9. Hot air balloon rides or shows
10. All "Law Enforcement Activities"

**p. Medical Services**

1. The rendering or failure to render
  - (i) medical, surgical, dental, x-ray or nursing services; or the provision of food or beverages in connection with such services;
  - (ii) any service or treatment conducive to health, or of a professional nature; or
2. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances.

This exclusion does not apply to "bodily injury" that arises from the rendering or failure to render:

1. Incidental medical services or first aid (including transportation), at the scene of an accident or injury, by any Member not regularly engaged in the medical profession; or
2. Medical services (including transportation) by school nurses, aids and athletic trainers employed by the Member while in the course of their employment as such, but not including medical physicians;
3. Incidental medical services of an emergency or health maintenance nature by teachers and other educational personnel where required as part of their employment responsibilities.
4. Counseling, testing, physical or psychological therapists and/or related professions all while acting in their roles as defined by the Member.

**q. Wrongful Termination or other Employment-Related Acts**

"Bodily injury" or "property damage" arising out of any actual or alleged:

1. Refusal to employ, or
2. Termination of employment, or
3. Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or any other employment-related acts, omissions, or policies.

This exclusion applies whether the Member may be held liable as an employer or in any other capacity. In addition, this exclusion applies to any obligation to share damages because of any of the actions described in (1) through (3) above.

**r. Asbestos and Lead**

Damages claimed for any loss, cost or expense incurred by a Member or any other insured person, arising directly or indirectly out of, resulting as a consequence of, or related to the following, whether or not there is another cause of loss which may have contributed concurrently or in any sequence to such loss, cost or expense:

1. Asbestos or materials or products containing asbestos; or
2. Lead or materials or products containing lead

**s. Silica or Silica Related Dust**

Damages claimed for any loss, cost or expense incurred by a Member or any other insured person arising, in whole or in part, out of the presence or effects of, "silica" or "silica-related dust," whether or not there is another cause of loss which may have contributed concurrently or in any sequence to such loss, cost or expense.

"Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.

"Silica-related dust" means a mixture or combination of silica and other dust or particles.

**t. Nuclear, Biological, Chemical, or Radioactive Agent Terrorism Activity**

All loss cost or expense arising out of or related to, either directly or indirectly, any "NBCR Terrorist Activity" as defined herein, and any action taken to hinder, defend against or respond to any such activity. This exclusion applies regardless of any other cause or event that in any way contributes concurrently or in any sequence to such loss, cost or expense.

"NBCR Terrorist Activity" shall mean any deliberate, unlawful act that includes, involves or is associated with, in whole or in part, the use or threatened use of, or release or threatened release of, any nuclear, biological, chemical or radioactive agent, material, device or weapon, that:

1. Is declared by any authorized governmental official to be or to involve terrorism, terrorist activity or acts of terrorism; or
2. Is related, in whole or in part, to any intention to
  - (i) promote, further or express opposition to any political, ideological, philosophical, racial, ethnic, social, civil or religious cause or objective; or
  - (ii) influence, disrupt or interfere with any government related operations, activities or policies; or
  - (iii) disrupt or interfere with a national economy or any segment of a national economy.

"NBCR Terrorist Activity" as described above shall be considered "NBCR Terrorist Activity" except where the Member can demonstrate to GSBA-RMF that such activities or threats thereof were motivated solely by personal objectives of the perpetrator.

**u. Sexual Abuse and Sexual Harassment**

"Bodily injury" or "property damage" arising out of any actual or alleged "sexual abuse" and/or "sexual harassment" as defined in Coverage Section V – School Leaders Liability, Coverage B.

**v. Personal Injury**

"Bodily injury" arising out of "personal injury".

**w. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data. However, this exclusion does not apply to liability for damages because of "bodily injury". As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CDROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**x. Recording or Distributing Material or Information in Violation of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

1. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
2. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
3. The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
4. Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

**y. Liability Covered Under Another Coverage Part**

Any liability for which coverage is provided under any other coverage part or section of this Coverage Document.

**4. Definitions Applicable in Coverage A Only**

For purposes of Coverage A, the following definitions apply:

- a. "Suit" means a civil proceeding in which damages are claimed arising out of "bodily injury" or "property damage" and includes:
  1. An arbitration proceeding in which such damages are claimed and to which the Member must submit or does submit with the consent of GSBA-RMF;
  2. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the Member submits with the consent of GSBA-RMF.

Administrative or investigative hearings, meetings or proceedings by governmental agencies are not a "suit".

## Coverage B – Personal and Advertising Injury Liability

### 1. Coverage Agreement.

- a. GSBA-RMF will pay those sums that the Member becomes legally obligated to pay as damages because of “personal injury” or “advertising injury” to which this coverage applies. GSBA-RMF will have the right and duty to defend the Member against any “suit” seeking those damages. However, GSBA-RMF will have no duty to defend any Member against any “suit” seeking damages for “personal injury” or “advertising injury” to which this coverage does not apply. GSBA-RMF may at our discretion investigate any offense and settle any claim or “suit” that may result. But:

1. The amount GSBA-RMF will pay for damages is limited as described in Paragraph 2. (Limits of Liability) in Common Conditions Specific to Section IV – General Liability; and
2. The right and duty of GSBA-RMF to defend ends when the applicable limit of liability is exhausted in the payment of judgments or settlements under Coverage A and/or B and/or C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Paragraph 1. (Supplementary Payments) in Common Conditions Specific to Section IV – General Liability.

- b. This coverage applies to:
1. “Personal injury” caused by an offense arising out of the Named Member’s business, excluding advertising, publishing, broadcasting or telecasting done by or for the Named Member;
  2. “Advertising injury” caused by an offense committed in the course of advertising Named Member’s goods, products or services;

but only if the offense was committed in the “coverage territory” during the “coverage period”.

### 2. Deductible

For each offense, this coverage applies only to amounts arising from such offense over the deductible shown in Section I – Limits of Liability. GSBA-RMF will only pay amounts that exceed the deductible up to the limits of liability, as fully described in Paragraph 2. (Limits of Liability) in Common Conditions Specific to Section IV – General Liability. The deductible amount is within the applicable limit of liability. For the purpose of applying this deductible, the same or similar offenses committed during the “coverage period” causing damages to a single person or organization shall be considered one offense.

### 3. Exclusions.

This coverage does not apply to:

- a. “Personal injury” or “advertising injury”:
1. Arising out of oral or written publication, in any manner, of material, if done by or at the direction of the Member with knowledge of its falsity;
  2. Arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the Agreement Period shown in the General Coverage Declarations;
  3. Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the Member; or

4. For which the Member has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the Member would have in the absence of the contract or agreement.
- b. "Personal injury" or "advertising injury" arising out of any actual or alleged:
  1. "Law enforcement activities"
  2. Refusal to employ, or
  3. Termination of employment, wrongful termination, or
  4. Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or any other employment-related acts, omissions, or policies.

This exclusion applies whether the Member may be held liable as an employer or in any other capacity. In addition, this exclusion applies to any obligation to share damages because of any of the actions described in (1) through (4) above.

- c. "Personal injury" or "advertising injury" arising out of:
  - (1) Breach of contract, other than misappropriation of advertising ideas under an implied contract;
  - (2) The failure of goods, products or services to conform with the advertised quality or performance;
  - (3) The wrongful description of the price of goods, products or services; or
  - (4) An offense committed by a Member whose business is advertising, broadcasting, publishing or telecasting.
- d. "Personal injury" or "advertising injury" caused by or at the director of the Member with the knowledge that the act would violate the rights of another and would inflict "personal injury" or "advertising injury".
- e. "Personal injury" or "advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- f. Any loss, cost or expense arising out of any:
  - (1) Request, demand, order or statutory or regulatory requirement that any Member or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  - (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".
- g. "Personal injury" or "advertising injury" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.
- h. "Personal injury" or "advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:
  - (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
  - (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
  - (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.
- i. Any liability for which coverage is provided under any other coverage part or section of this Coverage Document.

**4. Definitions Applicable in Coverage B Only**

For purposes of Coverage B, the following definitions apply:

- a. “Suit” means a civil proceeding in which damages are claimed arising out of “personal injury” or “advertising injury” and includes:
- 1. An arbitration proceeding in which such damages are claimed and to which the Member must submit or does submit with the consent of GSBA-RMF;
  - 2. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the Member submits with the consent of GSBA-RMF.

Administrative or investigative hearings, meetings or proceedings by governmental agencies are not a “suit”.



## Coverage C - Employee Benefits Liability

### ***THIS IS A CLAIMS MADE AND REPORTED SECTION PLEASE READ CAREFULLY***

#### **1. Coverage Agreement**

- a. GSBA-RMF will pay those sums that the Member becomes legally obligated to pay as damages because of a “negligent act” of the Member or any person for whose acts the Member is legally liable in the “administration” of “the Member’s employee benefits program.” GSBA-RMF will have the right and duty to defend any Member against any “suit” seeking those damages. However, GSBA-RMF will have no duty to defend any Member against any “suit” seeking damages to which this coverage does not apply. GSBA-RMF may at our discretion investigate any “negligent act” and settle any “claim” or “suit” that may result.

But:

1. The amount GSBA-RMF will pay for damages is limited as described in Paragraph 2. (Limits of Liability) in Common Conditions Specific to Section IV – General Liability; and
2. The right and duty of GSBA-RMF to defend ends when the applicable limit of liability is exhausted in the payment of judgments or settlements under Coverage A and/or B and/or C.

No other obligation or liability to pay sums or to perform acts or services is covered unless explicitly provided for under Paragraph 1. (Supplementary Payments) in Common Conditions Specific to Section IV – General Liability.

- b. This coverage applies to damages only if:

1. The “negligent act” took place within the “coverage territory”;
2. The “negligent act” commenced on or after the Retroactive Date, if any, shown in Section I – Limits of Liability and before the end of the “coverage period”;
3. A “claim” for damages because of the “negligent act” is first made against the Member during the “coverage period”; and
4. The Member gives written notice of the “claim” to GSBA-RMF in accordance with Paragraph 4 (Notice to GSBA-RMF) below.

- c. A “claim” seeking damages will be deemed to have been made when notice of the “claim” is received and recorded by any Member or by GSBA-RMF, whichever occurs first.

#### **2. Deductible**

For each “negligent act”, this coverage applies only to amounts arising from such “negligent act” over the deductible shown in Section I – Limits of Liability. GSBA-RMF will only pay amounts that exceed the deductible up to the limits of liability, as fully described in Paragraph 2. (Limits of Liability) in Common Conditions Specific to Section IV – General Liability. The deductible amount is within the applicable limit of liability.

### 3. Definitions Applicable in Coverage C Only

For purposes of this Coverage C , the following definitions apply:

- a. “Administration” means the performance of the following ministerial functions for “the Member’s employee benefits program”:
  - 1. Advising “employees” eligible to participate in “the Member’s employee benefits program” of their rights and options with respect to “the Member’s employee benefits program”;
  - 2. Handling of records in connection with “the Member’s employee benefits program”;
  - 3. Enrolling, terminating, or canceling of “employees” in “the Member’s employee benefits program”;
  - 4. Collecting contributions and applying them as called for under the rules of “the Member’s employee benefits program”;
  - 5. Processing claims in connection “with the Member’s employee benefits program”; or
  - 6. Preparation of communications to inform “employees” about their benefits under “the Member’s employee benefits program”.
- b. “Claim” means any demand or “suit” brought by an “employee” or an “employee’s” dependents or beneficiaries for damages as the result of a “negligent act”. All “claims” for damages because of a “negligent act” will be deemed to have been made at the time the first such “claim” is made against any Member, regardless of the number of persons making such “claims” or the time period over which such “claims” are made, even if subsequent “claims” are made after the “coverage period”.
- c. “employee” means the Member’s officers or any persons employed and compensated by the Member, whether actively employed, disabled or retired.
- d. “Negligent act” means any actual or alleged error or omission. Any “negligent act” that is continuous or part of a series of repeated or related “negligent acts” will be considered to be a single “negligent act” and will be considered to have commenced when the first “negligent act” commenced regardless of:
  - 1. The number of persons engaged in such “negligent acts”;
  - 2. The number of persons affected by such “negligent acts”;
  - 3. The number of locations where such “negligent acts” occurred; or
  - 4. The number of such “negligent acts” or period of time over which they occurred, even if subsequent “negligent acts” occurred after the “coverage period”.
- e. “A Member’s employee benefits program” means group life insurance, group accident and health insurance, profit sharing plans, pension plans, “employee” stock subscription plans, workers’ compensation, unemployment insurance, social security and disability insurance or similar plans or programs.
- f. “Suit” means a civil proceeding in which damages are claimed arising out of a “negligent act” and includes:
  - 1. An arbitration proceeding in which such damages are claimed and to which the Member must submit or does submit with the consent of GSBA-RMF;
  - 2. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the Member submits with the consent of GSBA-RMF.

Administrative or investigative hearings, meetings or proceedings by governmental agencies are not a “suit”.

#### **4. Notice to GSBA-RMF**

- a. As a condition precedent to the obligations of GSBA-RMF under this coverage, the Member must give written notice to GSBA-RMF of any “claim” made against any Member as soon as practicable, but in no event later than the end of the “coverage period”.
- b. If during the “coverage period”, any Member becomes aware of a specific “negligent act” (commencing on or after the Retroactive Date, if any, shown in Section I – Limits of Liability and before the end of the “coverage period”) that may reasonably be expected to give rise to a “claim” against any Member, and during such “coverage period”, the Member gives written notice to GSBA-RMF of:
  1. A description of the specific “negligent act”, including all relevant dates;
  2. The names of persons involved in the specific “negligent act”, including names of potential claimants;
  3. Particulars of the reasons for anticipating a “claim” that may result from such specific “negligent act”;
  4. The nature of the alleged or potential damages arising from such specific “negligent act”; and
  5. The circumstances by which the Member first became aware of the specific “negligent act”.

then any “claim” subsequently made against any Member arising out of such specific “negligent act” shall be deemed under this Coverage Document to be a “claim” made during the “coverage period” in which the specific “negligent act” was first reported to GSBA-RMF.

#### **5. Exclusions**

This coverage does not apply to:

- a. “bodily injury”, “personal injury”, “advertising injury” or “property damage.”
- b. injury or damage either expected or intended from the Member’s standpoint.
- c. claims for injury or damage arising out of:
  1. any dishonest, fraudulent, criminal or malicious act, or omission, done by or at the Member’s direction, including the willful or reckless violation of any law;
  2. an insurer’s or other provider’s failure to perform its contract;
  3. failure of any plan to meet its obligations due to insufficient funds;
  4. failure of any investment to perform or perform as represented or errors in providing information on past performance of investment vehicles;
  5. advice given regarding a person’s decision to participate or not participate in any plan included in “the Member’s employee benefits program”;
  6. the Member’s failure to meet the requirements of any law concerning Workers’ Compensation, unemployment insurance, social security, disability benefits or similar laws, or any “Member’s” liability as a fiduciary under the Employee Retirement Income Security Act of 1974, , as amended, any related regulations, or any similar state or local law, including common law;
  - 7.

- 8. the Named Member's failure to comply with the mandatory provisions of any worker's compensation, unemployment compensation insurance, social security or disability benefits law or any similar law;
  - 9. wrongful termination of employment, discrimination, or other employment-related practices; or
  - 8. taxes, fines or penalties, including those imposed under the Internal Revenue Code , as amended, any related regulations, or any similar state or local law.
- d. Any "claim" for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the Member, from the applicable funds accrued or collectible insurance.
- e. Any liability for which coverage is provided under any other coverage part or section of this Coverage Document.

## Common Conditions Specific to Section IV – General Liability

### 1. Supplementary Payments

Under Section IV – General Liability, GSBA-RMF will pay, with respect to any claim or “suit” defended by GSBA-RMF under Coverage A, B, or C:

- a. All expenses incurred by GSBA-RMF.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. GSBA-RMF does not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of coverage. GSBA-RMF does not have to furnish these bonds.
- d. All reasonable expenses incurred by the Member at the request of GSBA-RMF to assist us in the investigation or defense of the claim or “suit”, including actual loss of earnings up to \$100 a day because of time off from work.
- e. All court costs taxed against the Member in the “suit”. However, these payments do not include attorneys’ fees or attorneys’ expenses taxed against the Member.
- f. Prejudgment interest awarded against the Member on that part of the judgment GSBA-RMF pays. If GSBA-RMF makes an offer to pay the applicable limit of coverage, GSBA-RMF will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before GSBA-RMF has paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of coverage.

These payments will not reduce the limits of coverage.

If GSBA-RMF defends a Member against a "suit" and an indemnitee of the Member is also named as a party to the "suit", GSBA-RMF will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the Member has assumed the liability of the indemnitee in a contract or agreement that is an "covered contract";
- b. This coverage applies to such liability assumed by the Member;
- c. The obligation to defend, or the cost of the defense of, that indemnitee has also been assumed by the Member in the same "covered contract";
- d. The allegations in the "suit" and the information GSBA-RMF know about the "occurrence" are such that no conflict appears to exist between interests of the Member and the interests of indemnitee;

- e. The indemnitee and the Member ask GSBA-RMF to conduct and control the defense of that indemnitee against such "suit" and agree that GSBA-RMF can assign the same counsel to defend the Member and the indemnitee; and
- f. The indemnitee:
  - 1. Agrees in writing to:
    - i. Cooperate with GSBA-RMF in the investigation, settlement or defense of the "suit";
    - ii. Immediately send GSBA-RMF copies of any demands, notices, summonses or legal papers received in connection with the "suit";
    - iii. Notify any insurer whose coverage is available to the indemnitee; and
    - iv. Cooperate with GSBA-RMF with respect to coordinating other applicable coverage available to the indemnitee; and
  - 2. Provides GSBA-RMF with written authorization to:
    - i. Obtain records and other information related to the "suit"; and
    - ii. Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by GSBA-RMF in the defense of that indemnitee, necessary litigation expenses incurred by GSBA-RMF and necessary litigation expenses incurred by the indemnitee at the request of GSBA-RMF will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b. (Exclusions. Contractual Liability) of Section IV – General Liability – Coverage A – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" or "property damage" and will not reduce the limits of insurance.

GSBA-RMF's obligation to defend a Member's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when GSBA-RMF has used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

## **2. Limits of Liability**

- a. The Limits of Liability shown in Section I - Limits of Liability and the rules below, fix the most GSBA-RMF will pay regardless of the number of:
  - 1. Members;
  - 2. Claims made or "suits" brought; or
  - 3. Persons or organizations making claims or bringing "suits".
- b. The General Aggregate Limit is the most GSBA-RMF will pay for the sum of:
  - 1. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard";
  - 2. Damages under Coverage B; and
  - 3. Damages under Coverage C.
- c. The Products-Completed Operations Aggregate Limit is the most GSBA-RMF will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
- d. Subject to b. above, the Personal Injury and Advertising Injury Limit is the most GSBA-RMF will pay under Coverage B for the sum of all damages because of all "personal injury" and all "advertising injury" sustained by any one person or organization.

- e. Subject to b. or c. above, whichever applies, the Each Occurrence Limit is the most GSBA-RMF will pay for damages under Coverage A because of all “bodily injury” and/or “property damage arising out of any one “occurrence.”
- f. Subject to e., above, the Fire, Water, Lightning and Explosion Damage Legal Liability Limit is the most GSBA-RMF will pay under Coverage A for damages because of “property damage” to premises, while rented to the Named Member or temporarily occupied by the Named Member with permission of the owner, arising out of any one “occurrence”.
- g. The Limits of Liability shown in Section I - Limits of Liability for Employee Benefits Liability are the maximum amount GSBA-RMF will pay for each “negligent act” under Coverage C regardless of the number of:
  - 1. Members
  - 2. “Negligent acts”
  - 3. “Claims” made or “suit” brought.
  - 4. Persons or organizations making “claims” or bringing” suits;” or
  - 5. Plans included in “the Member’s employee benefits program”.
- h. Subject to g. above, the amount shown as aggregate under Section I - Limits of Liability for Employee Benefits Liability is the most GSBA-RMF will pay under Coverage C for all “negligent acts”.
- i. The Limits of Liability of this Coverage Agreement apply separately to each consecutive annual Agreement Period and to any remaining period of less than 12 months, starting with the beginning of the Agreement Period shown in General Coverage Declarations, unless the Agreement Period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the limits of liability.

## Exclusions Specific to all Coverage under Section IV – General Liability

### a. Mold/Fungus Exclusion.

Coverage under Section IV – General Liability does not apply to:

1. Damages claimed for any loss, cost or expenses directly or indirectly arising out of, resulting from or in any manner related to "fungal pathogens" or bacteria whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.
2. "fungal pathogens" as utilized herein, shall mean any fungus or mycota or any byproduct or type of infestation produced by such fungus or mycota, including but not limited to, mold, mildew, mycotoxins, spores, or any biogenic aerosols.

### Mold Sub-Limit

The Mold /Fungus Exclusion applies except for coverage as provided by this sub-limit.

Subject to any terms, conditions, definition or exclusions of Section IV – General Liability, Coverage A – Bodily Injury and Property Damage that are not contrary to this sub-limit and notwithstanding any limits of liability listed in the General Coverage Declarations, GSBA-RMF will provide the following combined limits for "fungal pathogens" or bacteria:

EACH OCCURRENCE LIMIT:	\$50,000
MEMBER ANNUAL AGGREGATE:	\$50,000
SHARED ANNUAL AGGREGATE LIMIT:	\$200,000

The Shared Annual Aggregate Limit is shared among all members of GSBA-RMF. In the event of an "occurrence" involving more than one member of GSBA-RMF caused by "fungal pathogens" or bacteria as covered hereunder, which exceeds the available limit of liability, such available limit of liability shall be apportioned pro rata among such members claiming loss otherwise covered under their Coverage Documents for "fungal pathogens" or bacteria on the basis of the loss that would have been payable to each without regard to the deductible provisions.



## Section V – School Leaders Liability

*THIS IS A CLAIMS MADE AND REPORTED SECTION  
PLEASE READ CAREFULLY*

*The coverage in this section is only for those “claims” that are first made against the Member and reported to GSBA-RMF during the “coverage period” or any Extended Reporting Period. Various provisions in this section restrict coverage. Please read this section carefully to determine the rights and duties of Members and what is and is not covered.*

### Coverage A - Errors & Omissions

#### 1. Coverage Agreement.

- a. GSBA-RMF will pay those sums that the Member becomes legally obligated to pay as damages because of a “wrongful act” of the Member or any persons for whose acts the Member is legally liable, arising out of the performance of duties for the Named Member to which this coverage part applies. GSBA-RMF will have the right and duty to defend any Member against any “suit” seeking those damages. However, GSBA-RMF will have no duty to defend any Member against any “suit” seeking damages to which this coverage does not apply. GSBA-RMF may at our discretion investigate any “wrongful act” and settle any “claim” or “suit” that may result. But:

1. The amount GSBA-RMF will pay for damages is limited as described in Paragraph 2. (Limits of Liability) in Common Conditions Specific to Section V – School Leaders Liability; and
2. The right and duty of GSBA-RMF to defend ends when the applicable limit of liability has been used up in the payment of judgments or settlements under Section V – School Leaders Liability.

No other obligations or liability to pay sums or perform acts or services is covered unless explicitly provided for in Paragraph 1. (Supplementary Payments) in Common Conditions Specific to Section V – School Leaders Liability.

- b. This coverage applies to damages only if:

1. The “wrongful act” took place within the “coverage territory”;
2. The “wrongful act” commenced on or after the Retroactive Date, if any, shown in Section I – Limits of Liability and before the end of the “coverage period”;
3. A “claim” for damages because of the “wrongful act” is first made against the Member during the “coverage period” or during any Extended Reporting Period; and
4. The Member gives written notice of the “claim” to GSBA-RMF in accordance with Paragraph 4. (Notice to GSBA-RMF) below.

- c. A “claim” seeking damages will be deemed to have been made when notice of the “claim” is received and recorded by any Member or by GSBA-RMF, whichever occurs first.

- d. GSBA-RMF shall not settle any “claim” without the consent of the Member. Should the Member refuse to consent to any settlement recommended by GSBA-RMF and elect to contest the “claim”, or continue any legal proceedings in connection with such “claim”, the liability of GSBA-RMF for the “claim” shall not exceed the amount, if any, in excess of the Member's deductible for which the “claim” could have been so settled, or the applicable limit of liability, whichever is less, plus the costs and expenses incurred with the consent of GSBA-RMF up to the date of such refusal.

## **2. Deductible**

For each “wrongful act”, this coverage applies only to amounts arising from such “wrongful act” over the deductible shown in Section I – Limits of Liability. GSBA-RMF will only pay amounts that exceed the deductible up to the limits of liability, as fully described in Paragraph 2. (Limits of Liability) in Common Conditions Specific to Section V – School Leaders Liability. The deductible amount is within the applicable limit of liability.

## **3. Exclusions**

This coverage does not apply to:

- (a) any dishonest, fraudulent, criminal act or malicious act or omission, including the willful or reckless violation of any law;
- (b) assault or battery, false arrest, detention or imprisonment, wrongful entry or eviction or other invasion of private occupancy, malicious prosecution or humiliation; an utterance or publication from which a claim of libel, slander, defamation, false light or disparagement arises or an utterance or publication in violation of an individual's right of privacy, except when such libel, slander, defamation or false light is a result of employment related defamation.
- (c) mental or emotional distress, “bodily injury”, sickness, disease or death of any person, or “property damage”;
- (d) any demand seeking non-pecuniary relief;
- (e) the failure to effect or maintain insurance of any kind including bonds and including coverage provided by any self-insurance arrangement, pool, self-insurance trust, captive insurance company, risk retention group, reciprocal exchange or other plan or agreement of risk transfer or assumption;
- (f) damages, fines or penalties whether statutory or assessed by any regulatory body;
- (g) any “claim” arising out of breach of fiduciary duty, responsibility or obligation in connection with any employee benefit or pension plan;
- (h) any “claim” arising out of the gaining in fact of any personal profit or advantage to which the insured is not legally entitled;
- (i) awards of back salary;

- (j) any cross-claim or counterclaim brought by one Member under this Coverage Document against another Member or any member of GSBA-RMF;
- (k) any “claim” arising out of discrimination against students because of race, religion or national origin or failure to integrate or desegregate the student enrollment or participation in any school district;
- (l) any of the following:
  - (1) breach of contract claims from suppliers or independent contractors;
  - (2) the failure of the Member to comply with the administrative requirements of the Asbestos Hazard Emergency Response Act;
- (m) any “claim” arising out of the presence of asbestos or radon and methane gases including cost of its removal or correction;
- (m) any “claim” arising from all pending and prior litigation or all pending and prior special education hearings as well as any known incidents including future “claims” arising out of all known incidents or any pending or prior litigation or pending and prior special education hearings.

This exclusion only applies to known incidents, pending or prior litigation or special education hearings prior to the Agreement Period specified in the General Coverage Declarations of the first Coverage Document issued and continuously renewed by GSBA-RMF.

- (n) any “claim” resulting directly or indirectly from the dispersal, discharge, escape, release, emission or saturation of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, gases, or any other hazardous material, irritant, contaminant, carcinogen or pollutant in or into the atmosphere, or on, onto, upon, or in or into surface or subsurface of the following:
  - (1) soil - or any structures appurtenant thereto;
  - (2) water or watercourses;
  - (3) objects;
  - (4) any tangible or intangible matters;

whether sudden or not, or for the failure to test, observe, or discover the presence of any of the foregoing. This exclusion applies to any pollution from any sources whether man-made or from natural sources.

This exclusion applies to any “claim” by whomever or whatsoever made, including, but not limited to, any public, private or governmental person, concern, body, entity, agency, office or corporation.

- (o) any liability for which coverage is provided under another coverage part or section of this Coverage Document.

- (p) any “claim” arising out of or in connection with any actual or alleged violation of the Employee Retirement Income Security Act of 1974, as amended, any related regulations, or any similar state or local law, including common law.
- (q) any “claim” arising out of or in connection with the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any related regulations and or amendments thereto, or any similar federal, state or local law, including common law.
- (r) any “claim” arising from any allegation of a violation of the Voting Rights Act or any federal or state constitutional provision, statute, judicial decision, or administrative rule or regulation related to voting rights.
- (s) any “claim” arising from any allegation against the Member in
  - i. the defense of a demand for an administrative hearing under the Individuals with Disabilities Education Act (IDEA) before a State Administrative Law Judge; or
  - ii. the defense in a subsequent action filed in a court of proper jurisdiction by parents or a student challenging the results of such hearing as identified in (i) above, alleging the following:
    - (a) a violation of the IDEA; or
    - (b) the failure to provide services to a student as required by the IDEA; or
    - (c) any ancillary “claim” under any other federal statute that is joined with and to be litigated as a part of the IDEA “claim”.

#### **4. Notice to GSBA-RMF**

- a. As a condition precedent to the obligations of GSBA-RMF under this coverage, the Member must give written notice to GSBA-RMF of any “claim” made against any Member as soon as practicable, but in no event later than the end of the “coverage period” or the end of any Extended Reporting Period.
- b. If during the “coverage period” or any Extended Reporting Period, any Member becomes aware of a specific “wrongful act” (commencing on or after the Retroactive Date, if any, shown in Section I – Limits of Liability) and before the end of the “coverage period”) that may reasonably be expected to give rise to a “claim” against any Member, and during such “coverage period” or any Extended Reporting Period, the Member gives written notice to GSBA-RMF of:
  - 1. A description of the specific “wrongful act”, including all relevant dates;
  - 2. The names of persons involved in the specific “wrongful act”, including names of potential claimants;
  - 3. Particulars of the reasons for anticipating a “claim” that may result from such specific “wrongful act”;
  - 4. The nature of the alleged or potential damages arising from such specific “wrongful act”; and
  - 5. The circumstances by which the Member first became aware of the specific “wrongful act”;

then any “claim” subsequently made against any Member arising out of such specific “wrongful act” shall be deemed to be a “claim” made during the “coverage period” or any Extended Reporting Period in which the specific “wrongful act” was first reported to GSBA-RMF.

## **5. Definitions Applicable in Coverage A Only**

For purposes of Coverage A, the following definitions apply:

- a. “Wrongful act” means any actual or alleged error, omission, misstatement or misleading statement. Any “wrongful act” that is continuous or part of a series of repeated or related “wrongful acts” will be considered to be a single “wrongful act” and will be considered to have commenced when the first “wrongful act” commenced regardless of:
  - 1. The number of persons engaged in such “wrongful acts”;
  - 2. The number of persons affected by such “wrongful acts”;
  - 3. The number of locations where such “wrongful acts” occurred; or
  - 4. The number of such “wrongful acts” occurring or period of time over which they occurred, even if subsequent “wrongful acts” take place after the “coverage period”.

- b. “Claim” means any demand or “suit” for damages as the result of a “wrongful act”.

All “claims” for damages because of a single “wrongful act” will be deemed to be a single claim and to have been made at the time the first such “claim” is made against any Member, regardless of the number of persons making such “claims” or the time period over which such “claims” are made, even if subsequent “claims” are made after the “coverage period” or any Extended Reporting Period.

- c. “Suit” means a civil proceeding in which damages are claimed arising out of a “wrongful act” and includes:
  - 1. An arbitration proceeding in which such damages are claimed and to which the Member must submit or does submit with the consent of GSBA-RMF;
  - 2. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the Member submits with the consent of GSBA-RMF.

Administrative or investigative hearings, meetings or proceedings by governmental agencies are not a “suit”.

## Coverage B. - Sexual Abuse Coverage

***Caution - This Coverage is Very Limited. Read it very carefully.***

***Note: This section does not provide any coverage for any individual who is found to have participated in or agreed to or ratified an act or acts of "sexual abuse".***

### 1. Coverage Agreement

- a. GSBA-RMF will pay those sums that the Member becomes legally obligated to pay as damages because of the Member's liability for "wrongful acts" involving the "sexual abuse" of others. GSBA-RMF will have the right and duty to defend any Member against any "suit" actually seeking those damages.

However, GSBA-RMF will have no duty to defend any Member against any "suit" seeking damages for a "wrongful act" to which this coverage does not apply. The right and duty of GSBA-RMF to defend a "suit" does not begin until they are asked to defend the "suit".

As a condition precedent to GSBA-RMF providing a defense against any "suit" or paying any damages awarded against any Member, that Member must agree to instruct the Member's defense counsel to ask for a "special verdict" when GSBA-RMF requests that Member to do so. GSBA-RMF may at our discretion investigate any allegations or "claims" of "wrongful acts" to which this coverage may apply and settle any claim or "suit" that may result. But:

1. The amount GSBA-RMF will pay for defense and damages is limited as described in Paragraph 2. (Limits of Liability) in Common Conditions Specific to Section V – School Leaders Liability;
2. Legal fees, costs and expenses incurred in the defense of any "suit" for a "wrongful act" are within the limits of liability, and
3. The right and duty of GSBA-RMF to defend ends when the applicable limit of liability is exhausted in the payment of:
  - (i) Legal defense fees, costs and expenses; or
  - (ii) Settlements or judgments under this coverage.
- b. This coverage applies to a "wrongful act" only if:
  1. The "wrongful act" took place in the "coverage territory";
  2. The "wrongful act" commenced on or after the applicable Retroactive Date, if any, shown in the Section I – Limits of Liability and before the end of the "coverage period";
  3. A "claim" for damages because of the "wrongful act" is first made against the Member during the "coverage period" or any extended reporting period ; and
  4. The Member gives written notice of the "claim" to GSBA-RMF in accordance with Paragraph 4. (Notice to GSBA-RMF) below.

- c. A “claim” seeking damages will be deemed to have been made when notice of the “claim” is received and recorded by any Member or by GSBA-RMF, whichever occurs first.
- d. GSBA-RMF shall not settle any “claim” without the consent of the Member. Should the Member refuse to consent to any settlement recommended by GSBA-RMF and elect to contest the “claim”, or continue any legal proceedings in connection with such “claim”, the liability of GSBA-RMF for the “claim” shall not exceed the amount, if any, in excess of the Member's deductible for which the “claim” could have been so settled, or the applicable limit of liability, whichever is less, plus the costs and expenses incurred with the consent of GSBA-RMF up to the date of such refusal.

## **2. Deductible**

For each “wrongful act”, this coverage applies only to amounts arising from such “wrongful act” over the deductible shown in Section I – Limits of Liability. GSBA-RMF will only pay amounts that exceed the deductible up to the limits of liability, as fully described in Paragraph 2. (Limits of Liability) in Common Conditions Specific to Section V – School Leaders Liability. The deductible amount is within the applicable limit of liability.

## **3. Exclusions**

This coverage does not apply to:

- a. “Sexual abuse” expected or intended from the standpoint of the Member.
- b. Any individual who participated in any act of “sexual abuse” or agreed to or ratified any act of “sexual abuse”. A Member will only be covered as to any alleged act of “sexual abuse” until such time as a judgment or other final adjudication should establish, or the Member admits, that the Member participated in or agreed to or ratified such act of “sexual abuse”.
- d. Any individual who has violated the Member's express personnel policy relative to “sexual abuse”.
- e. Any obligation of the Member under a workers' compensation, disability benefits or unemployment compensation law or any similar law.
- f. “Sexual abuse” “claims” or “suits” by:
  - 1. An employee, co-employee, prospective employee or past employee of any Member arising out of the employment relationship or prospective employment relationship;
  - 2. Between spouses, family members (including in-laws and extended family up to and including aunts, uncles, great aunts, great uncles and second cousins), or members of the same household whether or not related;
  - 3. Anyone who qualified as a Member under Section III - General Conditions of this Coverage Document.

This exclusion applies:

- (i) Whether any Member may be liable as an employer or in any other capacity; and
  - (ii) To any obligation to share damages with or repay someone else who must pay damages because of “sexual abuse”.
- g. 1. Any known incidents including future “claims” arising out of all known incidents; or



2. Any pending or prior litigation or hearings including all future claims arising out of all pending or prior litigation or hearings.

This exclusion only applies to known incidents, pending or prior litigation or hearings prior to the Agreement Period specified in the General Coverage Declarations of the first Coverage Document issued and continuously renewed by the GSBA-RMF.

- h. Any liability for which coverage is provided under any other coverage part or section of this Coverage Document.

#### **4. Notice to GSBA-RMF**

- a. As a condition precedent to the obligations of GSBA-RMF under this coverage, the Member must give written notice to GSBA-RMF of any “claim” made against any Member as soon as practicable, but in no event later than the end of the “coverage period” or the end of any Extended Reporting Period.
- b. If during the “coverage period” or any Extended Reporting Period, any Member becomes aware of a specific “sexual abuse” (commencing on or after the Retroactive Date, if any, shown in Section I – Limits of Liability) and before the end of the “coverage period”) that may reasonably be expected to give rise to a “claim” against any Member, and during such “coverage period” or any Extended Reporting Period, the Member gives written notice to GSBA-RMF of:
  1. A description of the specific “sexual abuse”, including all relevant dates;
  2. The names of persons involved in the specific “sexual abuse”, including names of potential claimants;
  3. Particulars of the reasons for anticipating a “claim” that may result from such specific “sexual abuse”;
  4. The nature of the alleged or potential damages arising from such specific “sexual abuse”; and
  5. The circumstances by which the Member first became aware of the specific “sexual abuse”;

then any “claim” subsequently made against any Member arising out of such specific “sexual abuse” shall be deemed under this Coverage Document to be a “claim” made during the “coverage period” in which the specific “sexual abuse” was first reported to GSBA-RMF.

#### **5. Definitions Applicable in Coverage B Only**

For purposes of Coverage B, the following definitions apply:

- a. “Claim” means any demand or “suit” for damages as a result of a “wrongful act”. All “claims” for damages because of a single “wrongful act” will be deemed to be a single “claim” and to have been made at the time the first such “claim” is made against any Member, regardless of the number of persons making such “claims” or the time period over which such “claims” are made, even if subsequent “claims” are made after the “coverage period” or any Extended Reporting Period.



- b. “Sexual abuse” means: Any actual, attempted or alleged criminal sexual conduct of a person by another person, or persons acting in concert, regardless if criminal charges or proceedings are brought, which causes physical and/or mental injuries. “Sexual abuse” also includes actual, attempted or alleged sexual molestation, sexual assault, sexual exploitation or sexual injury.

“Sexual abuse” does NOT include “sexual harassment” as defined below.

- c. “Sexual harassment” means: Any actual, attempted or alleged unwelcome sexual advances, requests for sexual favors or other conduct of a sexual nature of a person by a member, or members acting in concert, which causes physical and/or mental injuries. “Sexual harassment” also includes the above conduct when:
1. Submission to or rejection of such conduct is made either explicitly or implicitly a condition of employment, or a basis for employment decisions;
  2. Such conduct has the purpose or effect of unreasonably interfering with a person’s work performance or creating an intimidating, hostile or offensive work environment.
- c. “Special verdict” means the trier of the facts must identify the amount of damages awarded against a Member for each cause of action or allegation of damage made against that Member.
- d. “Suit” means a civil proceeding in which damages are claimed arising out of “wrongful act” and includes:
1. An arbitration proceeding in which such damages are claimed and to which the Member must submit or does submit with the consent of GSBA-RMF;
  2. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the Member submits with the consent of GSBA-RMF.

Administrative or investigative hearings, meetings or proceedings by governmental agencies are not a “suit”.

- e. “Wrongful act” means actual or alleged act of “sexual abuse”. Any “wrongful act” that is continuous or part of a series of repeated or related “wrongful acts” will be considered to be a single “wrongful act” and will be considered to have commenced when the first “wrongful act” commenced regardless of:
1. The number of persons engaged in such “wrongful acts”;
  2. The number of persons affected by such “wrongful acts”;
  3. The number of locations where such “wrongful acts” occurred; or
  4. The number of such “wrongful acts” occurring or period of time over which they occurred, even if subsequent “wrongful acts” take place after the “coverage period”.

## Coverage C - Defense Costs

### 1. Coverage Agreement.

- a. GSBA-RMF will indemnify the Member against “loss” sustained by the Member in the defense of a “suit”:
1. alleging any dishonest, fraudulent or criminal act by the Member, but only if there is a verdict or disposition in the Member's favor;
  2. arising out of an allegation of corporal punishment by the Member, but only if there is a verdict or disposition in the Member's favor;
  3. seeking non-pecuniary relief;
  4. alleging the failure of the Member to effect or maintain coverage of any kind including bonds;
  5. arising out of an alleged breach of fiduciary duty, responsibility or obligation in connection with any employee benefit or pension plan of the Member;
  6. arising out of the alleged discrimination by the Member against students because of race or national origin or failure to integrate or desegregate the student enrollment or participation in any school district, other than claims brought by a governmental agency;
  7. alleging a breach of contract by the Member with respect to suppliers or independent contractors; or
  8. alleging the failure of the Member to comply with the administrative requirements of the Asbestos Hazard Emergency Response Act.

But:

- (i) The amount GSBA-RMF will pay for “losses” is limited as described in Paragraph 2. (Limits of Liability) in Common Condition Specific to Section V – School Leader Liability.

- b. This coverage applies to “losses” only if:
1. The Member’s “wrongful act” giving rise to the “suit” took place within the “coverage territory”;
  2. The Member’s “wrongful act” giving rise to the “suit” commenced on or after the Retroactive Date, if any, shown in Section I – Limits of Liability and before the end of the “coverage period”;
  3. A “claim” concerning the Member’s “wrongful act” is first made against the Member during the “coverage period” or during any Extended Reporting Period; and
  4. The Member gives written notice of the “claim” to GSBA-RMF in accordance with Paragraph 4. (Notice of GSBA-RMF) below.
- c. A “claim” will be deemed to have been made when notice of the “claim” is received and recorded by the Member or by GSBA-RMF, whichever occurs first.

**2. Deductible**

For each “wrongful act”, this coverage applies only to “losses” arising from such “wrongful act” over the deductible shown in Section I – Limits of Liability. GSBA-RMF will only pay amounts that exceed the deductible up to the limits of liability, as fully described in Paragraph 2. (Limits of Liability) in Common Conditions Specific to Section V – School Leaders Liability. The deductible amount is within the applicable limit of liability.

**3. Exclusions**

This coverage does not apply to:

- a. any “claim” arising from any allegation against the Member in:
  - i. the defense of a demand for an administrative hearing under the Individuals with Disabilities Education Act (IDEA) before a State Administrative Law Judge; or
  - ii. the defense in a subsequent action filed in a court of proper jurisdiction by parents or a student challenging the results of such hearing as identified in (i) above, alleging the following:
    - (a) a violation of the IDEA; or
    - (b) the failure to provide services to a student as required by the IDEA; or
    - (c) any ancillary claim under any other federal statute that is joined with and to be litigated as a part of the IDEA “claim”.

**4. Notice to GSBA-RMF**

- a. As a condition precedent to the obligations of GSBA-RMF under this coverage, the Member must give written notice to GSBA-RMF of any “claim” made against any Member as soon as practicable, but in no event later than the end of the “coverage period” or the end of any Extended Reporting Period.
- b. If during the “coverage period” or any Extended Reporting Period, any Member becomes aware of a specific “wrongful act” (commencing on or after the Retroactive Date, if any, shown in Section I – Limits of Liability) and before the end of the “coverage period”) that may reasonably be expected to give rise to a “claim” against any Member, and during such “coverage period” or any Extended Reporting Period, the Member gives written notice to GSBA-RMF of:
  - 1. A description of the specific “wrongful act”, including all relevant dates;
  - 2. The names of persons involved in the specific “wrongful act”, including names of potential claimants;
  - 3. Particulars of the reasons for anticipating a “claim” that may result from such specific “wrongful act”;
  - 4. The nature of the alleged or potential damages arising from such specific “wrongful act”; and
  - 5. The circumstances by which the Member first became aware of the specific “wrongful act”;

then any “claim” subsequently made against any Member arising out of such specific “wrongful act” shall be deemed under this Coverage Document to be a “claim” made during the “coverage period” in which the specific “wrongful act” was first reported to GSBA-RMF.

## 5. Definitions Applicable in Coverage C Only

For purposes of Coverage C, the following definitions apply:

- a. “Loss” means such reasonable monetary amounts paid by the Member and not reimbursable by any other source:
  - i. Incurred in the defense of a “claim” or “suit” against the Member.
  - ii. As premiums on bonds to release attachments and appeal bonds, limited to that portion of such bond that does not exceed the limit of liability of this Coverage Agreement, but without any obligation to apply for or furnish such bonds;
  - iii. As cost or tax against the Member in any “claim” or “suit”.
- b. “Claim” means any demand for damages or “suit” arising out of an “wrongful act” of the Member. All “claims” arising out of a single “wrongful act” will be deemed to be a single “claim” and to have been made at the time the first such “claim” is made against any Member, regardless of the number of persons making such “claims” or the time period over which such “claims” are made, even if subsequent “claims” are made after the “coverage period” or any Extended Reporting Period.
- c. “Wrongful act” means any actual or alleged error or omission of the Member giving rise to a “claim” covered under this coverage. Any “wrongful act” that is continuous or part of a series of repeated or related “wrongful acts” will be considered to be a single “wrongful act” and will be considered to have commenced when the first “wrongful act” commenced regardless of:
  - 1. The number of persons engaged in such “wrongful acts”;
  - 2. The number of persons affected by such “wrongful acts”;
  - 3. The number of locations where such “wrongful acts occurred; or
  - 4. The number of such “wrongful acts” or period of time over which they occurred, even if subsequent “wrongful acts” occurred after the “coverage period”.
- d. “Suit” means any civil or criminal proceeding arising out of a “wrongful act” and includes:
  - 1. An arbitration proceeding in which such damages are claimed and to which the Member must submit or does submit with the consent of GSBA-RMF;
  - 2. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the Member submits with the consent of GSBA-RMF.

Administrative or investigative hearings, meetings or proceedings by governmental agencies are not a “suit”.

## Coverage D – Defense Costs in Special Education Cases

### 1. Coverage Agreement.

- a. Coverage Part One – Defense for the Named Member:
  - 1. GSBA-RMF will indemnify the Member for defense costs sustained by Member in:
    - i. the defense of a demand for an administrative hearing under the Individuals with Disabilities Education Act (IDEA) before a State Administrative Law Judge; or
    - ii. the defense in a subsequent action filed in a court of proper jurisdiction by parents or a student challenging the results of such hearing as identified in (i) above, alleging the following:
      - (a) a violation of the IDEA; or
      - (b) the failure to provide services to a student as required by the IDEA; or
      - (c) any ancillary claim under any other federal statute that is joined with and to be litigated as a part of the IDEA claim.
- b. Coverage Part Two – Defense and Ancillary Costs Other than to Named Member:
  - 1. GSBA-RMF will pay those sums that the Named Member becomes legally obligated to pay for reimbursement of any attorneys' fees or to prevailing parents or student when ordered by a court, arising out of:
    - i. the defense of a demand for an administrative hearing under the Individuals with Disabilities Education Act (IDEA) before a State Administrative Law Judge; or
    - ii. the defense in a subsequent action filed in a court of proper jurisdiction by parents or a student challenging the results of such hearing as identified in (i) above, alleging the following:
      - (a) a violation of the IDEA; or
      - (b) the failure to provide services to a student as required by the IDEA; or
      - (c) any ancillary claim under any other federal statute that is joined with and to be litigated as a part of the IDEA claim.
- c. Under Coverage Parts One and Two, the amount GSBA-RMF will pay is limited as described in Paragraph 2. (Limits of Liability) in Common Conditions Specific to Section V – School Leaders Liability.
- d. This coverage applies only if:
  - 1. The Member's "wrongful act" giving rise to a demand for an administrative hearing took place within the "coverage territory";
  - 2. The Member's "wrongful act" giving rise to the demand for an administrative hearing commenced on or after the Retroactive Date, if any, shown in Section I – Limits of Liability and before the end of the "coverage period";
  - 3. The demand for an administrative hearing is first made against the Member during the "coverage period" or during any Extended Reporting Period; and

4. The Member gives written notice of the demand for an administrative hearing to GSBA-RMF in accordance with Paragraph 4. (Notice of GSBA-RMF) below.
- e. A demand for an administrative hearing will be deemed to have been made when notice of the demand is received and recorded by the Member or by GSBA-RMF, whichever occurs first.

## **2. Deductible**

The deductible, as stated in Section I – Limits of Liability, shall apply with respect to each “wrongful act”. GSBA-RMF will only pay amounts arising from such “wrongful act” that exceed the deductible up to the limits of liability, as fully described in Paragraph 2. (Limits of Liability) in Common Conditions Specific to Section V – School Leaders Liability. The deductible amount is within the applicable limit of liability. Should GSBA-RMF, for any reason, pay the entire amount of loss without regard to the deductible the Member will reimburse GSBA-RMF, within 30 days of GSBA-RMF request for such reimbursement, for that part of the deductible which has been paid.

## **3. Exclusions**

This coverage does not apply to:

- a. The cost of any educational or related service provided to or ordered to be provided to or for the benefit of the student at issue in the IDEA hearing.
- b. Reimbursement of the cost of any educational or related service provided to or ordered to be provided to or for the benefit of the student at issue in the IDEA hearing by the parents or others paid by the Member or ordered to be paid by the Member.
- c. Coverage D – Defense Costs in Special Education Cases of this Coverage Document does not apply to claims made against the Member which are covered under any other coverage section of this Coverage Document.

## **4. Notice to GSBA-RMF**

As a condition precedent to the obligations of GSBA-RMF under this coverage, the Member must give written notice to GSBA-RMF of any demand for an administrative hearing as soon as practicable, but in no event later than the end of the “coverage period” or the end of any Extended Reporting Period.

## **5. Definitions Applicable in Coverage D only.**

For purposes of Coverage D, the following definitions apply:

- a. “Loss” means such reasonable monetary amounts paid by the Member and not reimbursable by any other source:
  - i. Incurred in the defense of a claim, suit or charge against the Member as set out in item 1, Coverage Document of Coverage D – Defense Costs in Special Education Cases.

- ii As premiums on bonds to release attachments and appeal bonds, limited to that portion of such bond that does not exceed the limit of liability of this Coverage Agreement, but without any obligation to apply for or furnish such bonds;
  - iii As cost or tax against the Member in any claim, suit, or charge as set out in item 1. Coverage Document of Coverage D – Defense Costs in Special Education Cases.
- b. “Wrongful act” means actual or alleged conduct of the Member giving rise to a demand for an administrative hearing under IDEA before a state Administrative Law Judge. Any “wrongful act” that is continuous or part of a series of repeated or related “wrongful acts” will be considered to be a single “wrongful act” and will be considered to have commenced when the first “wrongful act” commenced regardless of:
- 1. The number of persons engaged in such “wrongful acts”;
  - 2. The number of persons affected by such “wrongful acts”;
  - 3. The number of locations where such “wrongful acts occurred; or
  - 4. The number of such “wrongful acts” or period of time over which they occurred, even if subsequent “wrongful acts” occurred after the “coverage period”.

## **Common Conditions Specific to Section V - School Leaders Liability**

### **1. Supplementary Payments**

Under Section V – School Leaders Liability, GSBA-RMF will pay, with respect to any claim or “suit” defended by GSBA-RMF under Coverage A or B:

- a. All expenses incurred by GSBA-RMF.
- b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of coverage. GSBA-RMF does not have to furnish these bonds.
- c. All reasonable expenses incurred by the Member at the request of GSBA-RMF to assist us in the investigation or defense of the claim or “suit”, including actual loss of earnings up to \$100 a day because of time off from work.
- d. All court costs taxed against the Member in the “suit”. However, these payments do not include attorneys’ fees or attorneys’ expenses taxed against the Member.
- e. Prejudgment interest awarded against the Member on that part of the judgment GSBA-RMF pays. If GSBA-RMF makes an offer to pay the applicable limit of coverage, GSBA-RMF will not pay any prejudgment interest based on that period of time after the offer.
- f. All interest on the full amount of any judgment that accrues after entry of the judgment and before GSBA-RMF has paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of coverage.

These payments will not reduce the limits of coverage.

### **2. Limits of Liability**

- a. The Limits of Liability shown in Section I - Limits of Liability and the rules below, fix the most GSBA-RMF will pay regardless of the number of:
  1. Members;
  2. “Claims” or demands made or “suits” brought;
  3. Persons or organizations making “claims” or demands or bringing “suits”; or
  4. “Wrongful acts”.
- b. The amount shown as Aggregate Each Agreement Period under School Leaders Liability in Section I – Limits of Liability is the most GSBA-RMF will pay for the sum of:
  1. Damages under Coverage A; and
  2. Damages under Coverage B.
- b. Subject to b. above, the Each Wrongful Act limits for Coverages A, B, C and D under Section I – Limits of Liability are the most GSBA-RMF will pay for damages arising from a “wrongful act” covered under Coverage A, B, C or D.
- c. The Aggregate Each Agreement Period limits for Coverage C shown under Section I –



Limits of Liability are the most GSBA-RMF will pay for all “wrongful acts” covered under Coverage C.

- d. The Aggregate Each Agreement Period limits for Coverage D, Coverage Parts 1 and 2, shown under Section I – Limits of Liability are the most GSBA-RMF will pay for all “wrongful acts” covered under Coverage D, Coverage Part 1 or Part 2.

The Limits of Liability of this Coverage Agreement apply separately to each consecutive annual Agreement Period and to any remaining period of less than 12 months, starting with the beginning of the Agreement Period shown in General Coverage Declarations, page 1, of this Coverage Agreement, unless the Agreement Period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Liability.

### **3. Excluded Claims and Circumstances**

Notwithstanding any provision of this Coverage Document to the contrary, this Coverage Document does not apply to any “claims” or circumstances which may result in a “claim” as disclosed on the application dated and signed by an authorized representative of the Named Member including any supplements thereto.

### **4. Option To Extend Claims Reporting Period**

- a. If this Coverage Document is cancelled or not renewed either by GSBA-RMF or by the Named Member and if the Named Member has not obtained replacement coverage, this Coverage Document shall be extended automatically to apply, at no additional cost, to “claims” first made against the Member and reported to GSBA-RMF during the 60 days immediately following the effective date of such termination but only by reason of any “wrongful act” commencing before such termination date and otherwise covered by this Coverage Document at no additional charge. For the purpose of GSBA-RMF limit of liability, these 60 days will be combined with and considered a continuation of the last “coverage period”. The 60-day period shall be referred to as an Extended Reporting Period.
- b. If GSBA-RMF elects not to renew this Coverage Document or if this Coverage Document is cancelled by either the Named Member or GSBA-RMF, the Named Member shall have the option to purchase a 24 month Extended Reporting Period. The Member shall have the option to extend the coverage afforded by this Section V – School Leaders Liability, subject otherwise to its terms, limits of liability, exclusions and conditions, to apply to “claims” first made against the Member and reported to GSBA-RMF during the 24 months immediately following the effective date of such termination, but only by reason of any “wrongful act”, “sexual abuse” or “error or omission” commencing before such termination date and otherwise covered by this Coverage Document. The extension of coverage for “claims” made subsequent to termination of this Coverage Document shall be endorsed thereto, if purchased, and shall be referred to as an Extended Reporting Period. For the purpose of GSBA-RMF limit of liability, any Extended Reporting Period will be combined with and considered a continuation of the last “coverage period”. The 24-month Extended Reporting Period, if purchased, includes the sixty (60) day automatic claims Extended Reporting Period and is not in addition to the sixty (60) day automatic Extended Reporting Period.

- c. The Contribution for the 24-month Extended Reporting Period shall be 100% of the annual Contribution charged the Member for the expiring coverage under this Section V - School Leaders Liability.

The Member's right to purchase the 24-month Extended Reporting Period must be exercised by notice in writing not later than sixty (60) days after the cancellation or termination of this Coverage Document. Effective notice must include payment of Contribution for such period due GSBA-RMF.

If such notice and Contribution are not so given to GSBA-RMF, the Member shall not at a later date be able to exercise such rights.

The Named Member shall not have the option to purchase 24-month Extended Reporting Period unless any earned Contribution due, and any reimbursement due is paid within sixty days after the effective date of such termination.

At the commencement of the 24-month Extended Reporting Period, the entire Contribution therefore shall be deemed earned, and in the event the Named Member terminates the Extended Reporting Period before its term for any reason, GSBA-RMF shall not be liable to return to the Named Member any portion of the Contribution for the Extended Reporting Period.

- d. Any change in the Contribution for, or in the limit, conditions, or terms of this Coverage Document shall not be deemed a refusal to renew this Coverage Document.

## **Common Definitions to Section V – School Leaders Liability**

### **1. Definition of Member**

- a. In regards to Section V - School Leaders Liability, the definition of Member is expanded to mean:
1. The Named Member and the Board of Education as an entity and all person who were or are now Trustees, Directors and Members of the Board of Education individually.
  2. “Member” shall also mean a former or present employee of the Named Member who holds a position including the temporary appointment as Superintendent, Assistant Superintendent, Administrator, Assistant Administrator, Principal, or Assistant Principal, or any equivalent administrative position and any employee or volunteer performing duties for the Named Member or the Board of Education, but only while acting within the scope of the person’s duties as such.

## Section VI - Law Enforcement Liability

### 1. Coverage Agreement.

- a. GSBA-RMF will pay those sums that the Named Member becomes legally obligated to pay as damages because of “bodily injury”, “property damage”, or “personal injury” to which this coverage applies arising out of a “law enforcement occurrence”. GSBA-RMF will have the right and duty to defend any Member against any “suit” seeking those damages. However, GSBA-RMF will have no duty to defend any Member against any “suit” seeking damages to which this coverage does not apply. GSBA-RMF may at our discretion investigate any “law enforcement occurrence” and settle any claim or “suit” that may result. But:
  1. The amount GSBA-RMF will pay for damages is limited as described in the Paragraph below titled Limits of Liability in Common Conditions Specific to Section VI – Law Enforcement Liability; and
  2. The right and duty of GSBA-RMF to defend ends when the applicable limit of liability is exhausted in the payment of judgments or settlements under Coverage VI – Law Enforcement Liability.

No other obligations or liability to pay sums or perform acts or services is covered unless explicitly provided for under the Paragraph below titled Supplementary Payments in Paragraph 4. Common Conditions Specific to Section VI – Law Enforcement Liability.

- b. This coverage applies to “bodily injury”, “property damages” and “personal injury” only if:
  1. The “Law enforcement occurrence” causing such “bodily injury”, “property damage” or “personal injury” takes place within the “coverage territory”; and
  2. The “bodily injury”, “property damage” or “personal injury” occurs during the “coverage period”.
- c. Damages because of “bodily injury” include damages claimed by any person or organization for care, loss of services or death resulting at any time from the “bodily injury”.

### 2. Deductible

For each “law enforcement occurrence”, this coverage applies only to amounts arising from such “law enforcement occurrence” over the deductible shown in Section I – Limits of Liability. GSBA-RMF will only pay amounts that exceed the deductible up to the limits of liability, as fully described in the Paragraph titled Limits of Liability in Common Conditions Specific to Section VI – Law Enforcement Liability. The deductible amount is within the applicable limit of liability.

### 3. Exclusions

This coverage does not apply to:

- a. **Expected or Intended Injury**  
“Bodily injury” or “property damage” expected or intended from the standpoint of the Member. This exclusion does not apply to:

1. “Bodily injury” or “property damage” resulting from the use of reasonable force to protect persons or property; or
2. “Bodily injury” resulting from corporal punishment to any student or pupil administered by or at the direction of the Member, provided that the Named Member has adopted a policy authorizing the use of corporal punishment. However, a Member administering corporal punishment will not be covered hereunder if that Member knew or should have known that such corporal punishment did not comply with the Named Member’s policy authorizing the use of corporal punishment.

**b. Knowing Violation of Rights to Another**

“Personal injury” caused by or at the direction of the Member with the knowledge that the act would violate the rights of another and would inflict “personal injury”.

**c. Criminal Acts**

“Bodily injury”, “property damage” or “personal injury” arising out of a criminal act committed by or at the direction of the Member.

**d. Breach of Contract**

“Personal injury” arising out of breach of contract.

**e. Contractual Liability**

“Bodily injury”, “property damage” or “personal injury” for which the Member is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

1. Assumed in a contract or agreement that is a “covered contract”, provided the “bodily injury”, “property damage” or “personal injury” occurs subsequent to the execution of the contract or agreement; or
2. That the Member would have in the absence of the contract or agreement.

Solely for purposes of liability assumed in a “covered contract”, reasonable attorneys’ fees and necessary litigation expenses incurred by or for a party other than the Member are deemed to be damages because of “bodily injury”, “property damage” or “personal injury”, provided:

1. Liability to such party for, or for the cost of, that party’s defense has also been assumed in the same “covered contract”; and
2. Such attorneys’ fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this coverage applies are alleged.

**f. Liquor Liability**

“Bodily injury”, “property damage” or “personal injury” for which any Member may be held liable by reason of:

1. Causing or contributing to the intoxication of any person;
2. The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
3. Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if the Member is in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

**g. Workers' Compensation and Similar Laws**

Any obligation of the Member under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

**h. Employers' Liability**

"Bodily Injury" to:

1. An "employee" of the Member arising out of and in the course of:
  - (i) Employment by the Member; or
  - (ii) Performing duties related to the conduct of the Member's business; or
2. The spouse, child, parent, brother or sister of that "employee" as a consequence of paragraph (1) above.

This exclusion applies:

1. Whether the Member may be liable as an employer or in any other capacity; and
2. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the Member under a "covered contract".

**i. Pollution**

1. "Bodily injury", "property damage" or "personal injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants";
  - (i) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any Member;
  - (ii) At or from any premises, site or location which is or was at any time used by or for any Member or others for the handling, storage, disposal, processing or treatment of waste;
  - (iii) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any Member or any person or organization for whom the Named Member may be legally responsible; or
  - (iv) At or from any premises, site or location on which any Member or any contractors or subcontractors working directly or indirectly on any Member's behalf are performing operations:
    - (a) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such Member, contractor or subcontractor; or
    - (b) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

**Hostile Fire**

Subparagraphs (i) and (iv)(a) do not apply to “bodily injury”, “property damage” or “personal injury” arising out of heat, smoke or fumes from a hostile fire. As used in this exclusion, a hostile fire means one, which becomes uncontrollable or breaks out from the place where it was intended to be confined.

**Certain Building Equipment**

Subparagraphs (i) and (iv)(a) do not apply to “bodily injury” or “personal injury” if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat, cool or dehumidify that building or equipment that is used to heat water for personal use by the building’s occupants or their guests.

**Other Circumstances**

Subparagraph (i) does not apply to “bodily injury”, “property damage” or “personal injury” for which the Named Member may held liable, if the Named Member is a contractor and the owner or lessee of such premises, site or location is covered under this Coverage Document as an additional Member under Section III.1.d. with respect to ongoing operations performed for such additional Member at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to any Member, other than that additional Member.

Subparagraph (iv)(a) does not apply to “bodily injury”, “property damage” or “personal injury” arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of “mobile equipment” or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold them. This exception does not apply if the “bodily injury” or “property damage” arises out of the intentional discharge, dispersal or release of fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of operations being performed by such Member, contractor or subcontractor.

Subparagraph (iv)(a) does not apply to “bodily injury”, “property damage” or “personal injury” sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by the Named Member or on the Named Member’s behalf by a contractor or subcontractor.

2. Any loss, cost or expense arising out of any:
  - (i) Request, demand, order or statutory or regulatory requirement that any Member or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “pollutants”; or
  - (ii) Claim or “suit” by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of “pollutants”.

However, this paragraph does not apply to liability for damages because of “property damage” that the Member would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or “suit” by or on behalf of a governmental authority.

**j. Aircraft, Auto or Watercraft**

“Bodily injury”, “property damage” or “personal injury” arising out of the ownership, maintenance, use or entrustment to others of any aircraft, “auto” or watercraft owned or operated by or rented or loaned to any Member. Use includes operation and “loading or unloading”.

This exclusion applies even if the claims against any Member allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that Member, if the “occurrence” that caused the “bodily injury” or “property damage” involved the ownership, maintenance, use or entrustment to others of any aircraft, “auto” or watercraft that is owned or operated by or rented or loaned to any Member.

This exclusion does not apply to:

1. A watercraft while ashore on premises owned or rented by any Member;
2. A watercraft not owned by a Member that is:
  - (i) Less than 50 feet long and being used for social, philanthropic, athletic or instructional events;
  - (ii) Not being used to carry persons or property for a charge;
3. Parking an “auto” on, or on the ways next to, premises owned by or rented to any Member, provided the “auto” is not owned by or rented or loaned to any Member or the Named Member;
4. Liability assumed under any “covered contract” for the ownership, maintenance or use of aircraft, or watercraft;
5. The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of “mobile equipment” if it were not subject to compulsory financial responsibility law or motor vehicle insurance law where it is principally licensed or garaged; or
6. “Bodily injury”, “property damage” or “personal injury” arising out of the operation of any of the equipment listed in paragraph f.(2) or f.(3) of the definition of “mobile equipment”.

**k. Mobile Equipment**

“Bodily injury”, “property damage” or “personal injury” arising out of:

1. The transportation of “mobile equipment” by an “auto” owned or operated by or rented or loaned to any Member; or
2. The use of “mobile equipment” in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

**l. War**

“Bodily injury”, “property damage” or “personal injury” due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.



**m. Damage to Property**

“Property damage” to:

1. Property owned, rented or occupied by any Member, including any costs or expenses incurred by a Member or any other person, organization or entity for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another’s property;
2. Premises any Member sells, gives away or abandons, if the “property damage” arises out of any part of those premises;
3. Property loaned to the Member;
4. Personal property in the care, custody or control of the Member;
5. That particular part of real property on which the Member or any contractors or subcontractors working directly or indirectly on the Member’s behalf are performing operations, if the “property damage” arises out of those operations; or
6. That particular part of any property that must be restored, repaired or replaced because “the Member’s work” was incorrectly performed on it.

Paragraph 2 of this exclusion does not apply if the premises are “a Member’s work” and were never occupied, rented or held for rental by the Member.

Paragraphs 3, 4, 5 and 6 of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph 6 of this exclusion does not apply to “property damage” included in the “products-completed operations hazard”.

**k. Damage to “A Member’s Product”**

“Property damage” to “a Member’s product” arising out of it or any part of it.

**l. Damage to “A Member’s Work”**

“Property damage” to “a Member’s work” arising out of it or any part of it and included in the “products-completed operations hazard”.

This exclusion does not apply if a subcontractor performed the damaged work or the work out of which the damage arises for the Member.

**m. Damage to Impaired Property or Property Not Physically Injured**

“Property damage” to “impaired property” or property that has not been physically injured, or destroyed, arising out of:

1. A defect, deficiency, inadequacy or dangerous condition in “a Member’s product” or “a Member’s work”; or
2. A delay or failure by any Member or anyone acting on the Member’s behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to “a Member’s product” or “a Member’s work” after it has been put to its intended use.



**n. Recall of Products, Work or Impaired Property**

Damages claimed for any loss, cost or expense incurred by a Member or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

1. “A Member’s product”;
2. “A Member’s work”; or
3. “Impaired property”;

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Specified Operations**

“Bodily injury”, “property damage” or “personal injury” arising out of the performance of any law enforcement-related professional services by any Member for anyone other than the Named Member; provided, however, that this exclusion does not apply if such professional services constitute “Law Enforcement Activities”.

**p. Medical Services**

1. The rendering or failure to render
  - (i) medical, surgical, dental, x-ray or nursing services; or the provision of food or beverages in connection with such services;
  - (ii) any service or treatment conducive to health, or of a professional nature; or
2. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances.

This exclusion does not apply to “bodily injury” that arises from the rendering or failure to render:

1. Incidental medical services or first aid (including transportation), at the scene of an accident or injury, by any Member not regularly engaged in the medical profession; or
2. Medical services (including transportation) by school nurses, aids and athletic trainers employed by the Member while in the course of their employment as such, but not including medical physicians;
3. Incidental medical services of an emergency or health maintenance nature by teachers and other educational personnel where required as part of their employment responsibilities.
4. Counseling, testing, physical or psychological therapists and/or related professions all while acting in their roles as defined by the Member.

**q. Wrongful Termination or other Employment-Related Acts**

“Bodily injury”, “property damage” or “personal injury” arising out of any actual or alleged:

1. Refusal to employ, or
2. Termination of employment, or
3. Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or any other employment-related acts, omissions, or policies.

This exclusion applies whether the Member may be held liable as an employer or in any other capacity. In addition, this exclusion applies to any obligation to share damages because of any of the actions described in (1) through (3) above.

**r. Asbestos and Lead**

Damages claimed for any loss, cost or expense incurred by a Member or any other insured person, arising directly or indirectly out of, resulting as a consequence of, or related to the following, whether or not there is another cause of loss which may have contributed concurrently or in any sequence to such loss, cost or expense:

1. Asbestos or materials or products containing asbestos; or
2. Lead or materials or products containing lead

**s. Silica or Silica Related Dust**

Damages claimed for any loss, cost or expense incurred by a Member or any other insured person arising, in whole or in part, out of the presence or effects of, "silica" or "silica-related dust," whether or not there is another cause of loss which may have contributed concurrently or in any sequence to such loss, cost or expense.

"Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.

"Silica-related dust" means a mixture or combination of silica and other dust or particles.

**t. Nuclear, Biological, Chemical, or Radioactive Agent Terrorism Activity**

All loss cost or expense arising out of or related to, either directly or indirectly, any "NBCR Terrorist Activity" as defined herein, and any action taken to hinder, defend against or respond to any such activity. This exclusion applies regardless of any other cause or event that in any way contributes concurrently or in any sequence to such loss, cost or expense.

"NBCR Terrorist Activity" shall mean any deliberate, unlawful act that includes, involves or is associated with, in whole or in part, the use or threatened use of, or release or threatened release of, any nuclear, biological, chemical or radioactive agent, material, device or weapon, that:

1. Is declared by any authorized governmental official to be or to involve terrorism, terrorist activity or acts of terrorism; or
2. Is related, in whole or in part, to any intention to
  - (i) promote, further or express opposition to any political, ideological, philosophical, racial, ethnic, social, civil or religious cause or objective; or
  - (ii) influence, disrupt or interfere with any government related operations, activities or policies; or
  - (iii) disrupt or interfere with a national economy or any segment of a national economy.

"NBCR Terrorist Activity" as described above shall be considered "NBCR Terrorist Activity" except where the Member can demonstrate to GSBA-RMF that such activities or threats thereof were motivated solely by personal objectives of the perpetrator.

**u. Sexual Abuse and Sexual Harassment**

“Bodily injury” or “property damage” arising out of any actual or alleged “sexual abuse” and/or “sexual harassment” as defined in Coverage Section V – School Leaders Liability, Coverage B.

**v. Personal Injury**

“Bodily injury” arising out of “personal injury”.

**w. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data. However, this exclusion does not apply to liability for damages because of “bodily injury”. As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CDROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**x. Recording or Distributing Material or Information in Violation of Law**

Damages arising directly or indirectly out of any action or omission that violates or is alleged to violate:

1. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
2. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
3. The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
4. Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

**y. Liability Covered Under Another Coverage Part**

Any liability for which coverage is provided under any other coverage part or section of this Coverage Document.

**4. Common Conditions Specific to Section VI – Law Enforcement Liability**

**Supplementary Payments**

Under Section VI – Law Enforcement Liability, GSBA-RMF will pay, with respect to any claim or “suit” defended by GSBA-RMF:

- a All expenses incurred by GSBA-RMF.

- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. GSBA-RMF does not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of coverage. GSBA-RMF does not have to furnish these bonds.
- d. All reasonable expenses incurred by the Member at the request of GSBA-RMF to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$100 a day because of time off from work.
- e. All court costs taxed against the Member in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the Member.
- f. Prejudgment interest awarded against the Member on that part of the judgment GSBA-RMF pays. If GSBA-RMF makes an offer to pay the applicable limit of coverage, GSBA-RMF will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before GSBA-RMF has paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of coverage.

These payments will not reduce the limits of coverage.

If GSBA-RMF defends a Member against a "suit" and an indemnitee of the Member is also named as a party to the "suit", GSBA-RMF will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the Member has assumed the liability of the indemnitee in a contract or agreement that is an "covered contract";
- b. This coverage applies to such liability assumed by the Member;
- c. The obligation to defend, or the cost of the defense of, that indemnitee has also been assumed by the Member in the same "covered contract";
- d. The allegations in the "suit" and the information GSBA-RMF know about the "occurrence" are such that no conflict appears to exist between interests of the Member and the interests of indemnitee;
- e. The indemnitee and the Member ask GSBA-RMF to conduct and control the defense of that indemnitee against such "suit" and agree that GSBA-RMF can assign the same counsel to defend the Member and the indemnitee; and
- f. The indemnitee:
  - 1. Agrees in writing to:
    - (i) Cooperate with GSBA-RMF in the investigation, settlement or defense of the "suit";
    - (ii) Immediately send GSBA-RMF copies of any demands, notices, summonses or legal papers received in connection with the "suit";

- (iii) Notify any insurer whose coverage is available to the indemnitee; and
- (iv) Cooperate with GSBA-RMF with respect to coordinating other applicable coverage available to the indemnitee; and

2. Provides GSBA-RMF with written authorization to:

- (i) Obtain records and other information related to the "suit"; and
- (ii) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by GSBA-RMF in the defense of that indemnitee, necessary litigation expenses incurred by GSBA-RMF and necessary litigation expenses incurred by the indemnitee at the request of GSBA-RMF will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b. (Exclusions. Contractual Liability) of Section VI – Law Enforcement Liability, such payments will not be deemed to be damages for "bodily injury", "property damage" or "personal injury" and will not reduce the limits of insurance.

GSBA-RMF's obligation to defend a Member's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when GSBA-RMF has used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

### **Limits of Liability**

- a. The Limits of Liability shown in Section I - Limits of Liability and the rules below, fix the most GSBA-RMF will pay regardless of the number of:
  - 1. Members;
  - 2. Claims made or "suits" brought;
  - 3. Persons or organizations making claims or bringing "suits"; or
  - 4. "Law enforcement occurrences".
- b. The amount shown as the Maximum Aggregate Limit under Law Enforcement Liability in Section I – Limits of Liability is the most GSBA-RMF will pay for damages under Section VI – Law Enforcement Liability
- c. Subject to b. above, the amount shown as the Maximum Limit, Each Claimant under Law Enforcement Liability in Section I – Limits of Liability is the most GSBA-RMF will pay in damages for any one Member covered under Section VI – Law Enforcement Liability.
- d. Subject to b. and c. above, the amount shown as the Maximum Limit, Each Occurrence under Law Enforcement Liability in Section I – Limits of Liability is the most GSBA-RMF will pay for damages arising out of any one "law enforcement occurrence".

The Limits of Liability of this Coverage Document apply separately to each consecutive annual Agreement Period and to any remaining period of less than 12 months, starting with the beginning of the Agreement Period shown in General Coverage Declarations of this Coverage Agreement, unless the Agreement Period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Liability.

Any deductible shown in Section I – Limits of Liability is within the applicable limit of liability.

#### **4. Definitions Applicable to Section VI – Law Enforcement Liability Only**

For purposes of Section VI – Law Enforcement Liability, the following definitions apply:

- a. “Suit” means a civil proceeding in which damages are claimed arising out of “bodily injury” “property damage” or “personal injury” and includes:
  - 1. An arbitration proceeding in which such damages are claimed and to which the Member must submit or does submit with the consent of GSBA-RMF;
  - 2. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the Member submits with the consent of GSBA-RMF.

Administrative or investigative hearings, meetings or proceedings by governmental agencies are not a “suit”.

## Section VII - Automobile Liability

### Coverage A - Bodily Injury and Property Damage Liability

#### 1. Coverage Agreement

GSBA-RMF will pay all sums a "Member" legally must pay as damages because of "bodily injury" or "property damage" to which this coverage applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

GSBA-RMF will also pay all sums a "Member" legally must pay as a "covered pollution cost or expense" to which this coverage applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, GSBA-RMF will only pay for the "covered pollution cost of expense" if there is either "bodily injury" or "property damage" to which this coverage part applies that is caused by the same "accident".

GSBA-RMF has the right and duty to defend any Member against any "suit" asking for such damages or a "covered pollution cost or expense". However, GSBA-RMF has no duty to defend "suits" for "bodily injury" or "property damage" or a "covered pollution cost or expense" not covered by this coverage. GSBA-RMF may investigate and settle any claim or "suit" as GSBA-RMF considers appropriate. GSBA-RMF duty to defend or settle ends when the limits of liability, as more fully described under the Paragraph 3. (Limits of Liability) below, have been exhausted by payment of judgments or settlements.

#### 2. Exclusions

This coverage does not apply to any of the following:

##### a. Expected or Intended Injury

"Bodily Injury" or "property damage" expected or intended from the standpoint of the "Member".

##### b. Contractual Liability

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- i Assumed in a contract or agreement that is an "covered contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- ii That the "Member" would have in the absence of the contract or agreement.

Solely for purposes of liability assumed in a "covered contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than the Member are deemed to be damages because of "bodily injury" or "property damage", provided:

1. Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "covered contract"; and
2. Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this coverage applies are alleged.

**c. Workers' Compensation**

Any obligation for which the "Member" or the "Member's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

**d. Employee Indemnification and Employer's Liability**

"Bodily injury" to:

1. An employee of the "Member" arising out of and in the course of employment by the "Member"; or
2. The spouse, child, parent, brother or sister of that employee as a consequence of paragraph 1. above.

This exclusion applies:

1. Whether the "Member" may be liable as an employer or in any other capacity; and
2. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to liability assumed by the "Member" under a "covered contract."

**e. Care, Custody or Control**

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "Member" or in the "Member's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

**f. Handling of Property**

"Bodily injury" or "property damage" resulting from the handling of property:

1. Before it is moved from the place where it is accepted by the "Member" for movement into or onto the covered "auto"; or
2. After it is moved from the covered "auto" to the place where it is finally delivered by the "Member".

**g. Movement of Property by Mechanical Device**

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto."

**h. Operations**

"Bodily injury" or "property damage" arising out of the operation of any equipment listed in paragraphs b. and c. of the definition of "mobile equipment."

**i. Completed Operations**

"Bodily injury" or "property damage" arising out of a Member's work after that work has been completed or abandoned. In this exclusion, a Member's work means:

1. Work or operations performed by the Named Member or on your behalf of the Named Member; and
2. Materials, parts or equipment furnished in connection with such work or operations.



A Member's work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs 1. or 2. above.

A Member's work will be deemed completed at the earliest of the following times.

1. When all of the work called for in the Named Member's contract has been completed.
2. When all of the work to be done at the site has been completed if the Named Member's contract calls for work at more than one site.
3. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

j. **Pollution**

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

1. That are, or that are contained in any property that is:
  - (i) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto".
  - (ii) Otherwise in the course of transit by or on behalf of the "Member"; or
  - (iii) Being stored, disposed of, treated or processed in or upon the covered "auto";
2. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "Member" for movement into or onto the covered "auto", or
3. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered disposed of or abandoned by the "Member."

Paragraph 1. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (i) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (ii) The "bodily injury," "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in paragraphs b. and c. of the definition of "mobile equipment."

Paragraphs 2. and 3. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to a "Member" with respect to "pollutants" not in or upon a covered "auto" if:

- (i) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (ii) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

k. **War**

“Bodily injury” or “property damage” due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

l. **Racing**

Covered “autos” while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This coverage also does not apply while a covered “auto” is being prepared for such a contest or activity.

**3. Limits of Liability**

Regardless of the number of covered “autos”, Members, contributions paid, claims made or vehicles involved in the “accident,” the most GSBA-RMF will pay for the total of all damages and “covered pollution cost or expense” combined, resulting from any one “accident” is the applicable limit of liability shown in Section I - Limits of Liability of this Coverage Document.

All “bodily injury,” “property damage” and “covered pollution cost or expense” resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one “accident.”

No one will be entitled to receive duplicate payments for the same elements of “loss” under this coverage and any medical payments coverage, uninsured motorist coverage or underinsured motorist coverage provided by this Coverage Document.

## **Coverage B - Automobile Medical Payments**

### **1. Coverage Agreement**

GSBA-RMF will pay reasonable expenses incurred for necessary medical and funeral services to or for a Member who sustains "bodily injury" caused by an "accident". GSBA-RMF will pay only those expenses incurred, for services rendered within one year from the date of the "accident".

### **2. Exclusions**

This coverage does not apply to any of the following:

- a. "Bodily injury" sustained by a "Member" while "occupying" a vehicle located for use as a premises.
- b. "Bodily injury" sustained by the Named Member while "occupying" or struck by any vehicle (other than a covered "auto") owned by the Named Member or furnished or available for the Named Member's regular use.
- c. "Bodily injury" to the Named Member's employee arising out of and in the course of employment by the Named Member.
- d. "Bodily injury" to a "Member" while working in a business of selling, servicing, repairing or parking "autos" unless that business is the Named Member's.
- e. "Bodily injury" caused by declared or undeclared war or insurrection of any of their consequences.
- f. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
- g. "Bodily injury" sustained by a "Member" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This coverage does not apply to any "bodily injury" sustained by a Member while the "auto" is being prepared for such a contest or activity.

### **3. Definitions (Applicable Only To Coverage B)**

"Medical expenses" do not include expenses that are for treatment, service, products or procedures that are incurred for:

- a. The use of thermography or other related procedures of a similar nature; or
- b. The use of acupuncture or other related procedures of a similar nature; or
- c. Chiropractic treatment or treatments that are delivered under the direction or supervision of a chiropractor; or
- d. Massage therapy or hypnotism; or
- e. Positron emission tomography, also known as a PET scan for non-cardiac conditions; or
- f. Quantitative EEG also known as q-EEG or BEEM studies; or
- g. Psychiatric or psychological services; or
- h. The purchase or rental of equipment not primarily designed to serve a medical purpose; or
- i. Biofeedback therapy, also sometimes known as vestibular rehabilitation therapy.

### **4. Non-Duplication of Benefits**

No "Member" shall recover twice for the same expense or "loss". Any payments which are made under Coverage B - Automobile Medical Payments shall be deducted from any payment which may be made under Coverage A - Bodily Injury & Property Damage Liability Coverage or Coverage C - Uninsured/Underinsured Motorist Coverage of this Coverage Document.

**5. Conditions (Applicable Only To Coverage B)**

GSBA-RMF, as a condition to payment of "medical expenses" under this coverage, may require that the "Member", upon reasonable and written notice submit to an examination by a physician selected by GSBA-RMF and the cost of this examination shall be borne, in full, by GSBA-RMF.

**6. Limits of Liability**

Regardless of the number of covered "autos", Members, Contributions paid, claims made or vehicles involved in the "accident", the most GSBA-RMF will pay for "bodily injury" for each Member injured in any on "accident" is the applicable limit of liability shown in Section I – Limits of Liability.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any liability coverage, uninsured motorist coverage or underinsured motorist coverage provided by this Coverage Document.

## **Coverage C - Uninsured/Underinsured Motorist Coverage**

### **1. Coverage Agreement**

- a. GSBA-RMF will pay all sums the "Member" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle." The damages must result from "bodily injury" or "property damage" sustained by the "Member" caused by an "accident." The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle."
- b. If this Coverage Document provides a limit in excess of the amounts required by the applicable law where a covered "auto" is principally garaged, GSBA-RMF will pay only after all liability bonds or policies have been exhausted by judgments or payments.
- c. Any judgment for damages arising out of a "suit" brought without the written consent of GSBA-RMF is not binding on GSBA-RMF.

### **2. Exclusions**

This coverage does not apply to any of the following:

- a. Any claim settled without the consent of GSBA-RMF and/or its authorized representations.
- b. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
- c. "Bodily injury" sustained by the Member while "occupying" or struck by any vehicle owned by the Member that is not a covered "auto."
- d. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
- e. Punitive or exemplary damages.
- f. Bodily injury to an "employee" of the Named Member arising out of and in the course of employment by the Named Member.

### **3. Specific Definitions to Coverage C - Uninsured/Underinsured Motorist Coverage.**

"Uninsured motor vehicle" means a land motor vehicle or trailer:

- a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
- b. That is an underinsured motor vehicle. An underinsured motor vehicle is a motor vehicle or trailer for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged but that sum is less than the limit of liability of this coverage;
- c. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
- d. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must hit a "Member", a covered "auto" or a vehicle a "Member" is "occupying."

However, "Uninsured motor vehicle" does not include any vehicle:

1. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and can not provide the amounts required by that motor vehicle law;
2. Owned by a governmental unit or agency; or
3. Designed for use mainly off public roads while not on public roads.

**4. Limit of Liability**

Regardless of the number of covered “autos,” Members, contributions paid, claims made or vehicles involved in the “accident,” the most we will pay for the total of all damages resulting from any one “accident” is the applicable limit of liability shown in Section I - Limits of Liability of this Coverage Document.

No one will be entitled to receive duplicate payments for the same elements of “loss” under this coverage and any liability coverage or medical payments coverage provided by this Coverage Document.

**Common Conditions and Definitions Specific to Section VII - Automobile Liability**

**1. Covered Autos**

A covered “auto” is any “auto” the Named Member owns, hires, leases, rents and is used in connection with activities necessary and incidental to school operations. It also means:

- i. “Trailers”;
- ii. “Mobile equipment” while being carried or towed by a covered “auto”.
- iii. Any “auto” the Named Member does not own while used with the permission of its owner and the use of the non-owned “auto” is within the scope of the Named Member’s operations

**2. Deductible**

For each “accident”, this coverage applies only to amounts arising from such “accident” over the deductible shown in Section I – Limits of Liability. GSBA-RMF will only pay amounts that exceed the deductible up to the limits of liability, as fully described above in coverages A, B and C. The deductible amount is within the applicable limit of liability.

**3. Definition of Loss**

“Loss” means direct and accidental loss or damage.

## Section VIII - Crime

### I. Coverage Agreements

#### **Agreement A - Money and Securities (Coverage Inside Premises)**

GSBA-RMF agrees, subject to the limitations, terms and conditions of the Coverage Description, to indemnify the Named Member for all loss caused by reason of theft, burglary, robbery, disappearance or destruction of money or securities which may at all times be or believed by the Member to be in or upon “premises” occupied or used by the Named Member or at a “banking premises”.

#### **Agreement B - Money and Securities (Coverage Outside Premises)**

GSBA-RMF agrees, subject to the limitations, terms and conditions of this Coverage Description, to indemnify the Named Member for all loss caused by reason of the theft, robbery, disappearance or destruction of money or securities (other than by fraud or connivance of the Named Member’s officers or employees) and “other property” while in transit in the custody of the Named Member’s officers or employees, armored motor vehicle company or “messenger” in the “covered territory”. The liability of GSBA-RMF will commence at the moment when the person into whose hands the property may be delivered on behalf of the Named Member receives the same and to continue until delivery thereof at the final destination.

#### **Agreement C - Blanket Employee Dishonesty and Faithful Performance Coverage**

GSBA-RMF agrees, subject to the limitations, terms and conditions set forth herein, to indemnify the Named Member (hereinafter called the “Employer”) against any loss of money, securities or other real or personal property (including that part of any inventory shortage which the Employer shall conclusively prove is caused by the dishonesty of any Employee or Employees) belonging to the Employer or in which the Employer has a pecuniary interest or for which the Employer is legally liable or held by the Employer in any capacity, whether the Employer is legally liable therefore or not, which the Employer shall during the term of this coverage discover that they have sustained through acts of “theft” committed by any one or more of the Employees as defined herein, acting alone or in collusion with others.

GSBA-RMF also agrees, subject to the limitations, terms and conditions set forth herein, to indemnify Member for loss due to failure of any Employee to faithfully perform his or her duties as prescribed by local governing law, when such failure has as its direct and immediate result a loss of covered property. This covered cause of loss is part of, and not in addition to, the limit of coverage provided for Employee Dishonesty above.

#### **Agreement D - Public Official Bonds**

GSBA-RMF also agrees, subject to the limitations, terms and conditions set forth herein, to indemnify the Named Member (hereinafter called the “Employer”) for Employees who are required by local ordinance, resolution, rule, policy or procedure to be separately bonded. It is further agreed that the Surety will indemnify the Named Member for loss through the failure of any Employee, acting alone or in collusion with others, to faithfully perform his or her duties as prescribed by law. For those Employees that are required by local ordinance, resolution, rule, policy or procedure to be bonded, our indemnification will not be more than the amount required by applicable local ordinance, resolution, rule, policy or procedure.

GSBA-RMF also agrees, subject to the terms and conditions set forth herein, to pay on behalf of the Employees who are required by state law to be separately bonded. If such bonded individual will faithfully discharge the duties required of him or her by virtue of his or her said office during the time he or she

continues therein, or discharges any of the duties thereof, upon the terms required by law, then the above obligation shall be void; otherwise to remain in full force and effect. This coverage shall also pay for all penalties and forfeitures this individual may incur under law and for all losses, damages, or expenses the state may sustain by reason of their conduct. GSBA-RMF payment will not be more than the amount required by applicable state law. GSBA-RMF will be reimbursed by the Named Member for the applicable deductible shown in the General Coverage Declarations.

**Agreement E - Drivers Education Bonds**

GSBA-RMF agrees, subject to the terms and conditions set forth herein, to pay on behalf of the Employees who are required by state law to be separately bonded. GSBA-RMF payment will not be more than the amount required by applicable state law. GSBA-RMF will be reimbursed by the Named Member for the applicable deductible shown in the General Coverage Declarations.

**Agreement F- Computer Fraud**

GSBA-RMF agrees, subject to the terms and conditions set forth herein, to pay for loss of or damage to "money", "securities" and "other property" resulting directly or indirectly from the use of any computer to fraudulently cause a transfer of that property from inside the "premises" or "banking premises":

- a. To a person (other than a "messenger") outside those "premises"; or
- b. To a place outside those "premises".

**Agreement G- Depositors Forgery Extension**

Subject to the terms, conditions and exclusions applicable to this Coverage Part, GSBA-RMF will pay all losses which the Named Member or any bank which is included in the Named Member's proof of loss and in which the Named Member carries a checking, savings, trust or investment account, as their respective interests may appear, shall sustain through forgery or alteration of, on or in any check, draft, promissory note, bill or exchange, or similar written promise, order or direction to pay a sum certain in Money, made or drawn by or drawn upon the Member, or purporting to have been made or drawn as herein before set forth, including:

- a. any check or draft made or drawn in the name of the Member, payable to a fictitious payee and endorsed in the name of such fictitious payee;
- b. any check or draft procured in a face to face transaction with the Member, or with one acting as agent of the Member, by anyone impersonating another and made or drawn payable to the one so impersonated and endorsed by anyone other than the one so impersonated; and
- c. any payroll check, payroll draft or payroll order made or drawn by the Member, payable to bearer as well as to a named payee and endorsed by anyone other than the named payee without authority from such payee: whether or not any endorsement mentioned in (A), (B) or (C) be a forgery within the law of the place controlling the construction thereof.

Mechanically reproduced facsimile signatures are treated the same as handwritten signatures.

The Named Member shall be entitled to priority of payment over loss sustained by any bank aforesaid. Loss under this Coverage Document, whether sustained by the Member or such bank, shall be paid directly to the Named Member in its own name, except in cases where such bank shall have already fully reimbursed the Named Member for such loss. The liability of GSBA-RMF to such bank for such loss shall be a part of and not in addition to the amount of coverage applicable to the Named Member's office to which such loss would have been allocated had such loss been sustained by the Member. If the Member or such bank shall refuse to pay any of the foregoing instruments made or drawn as herein before set forth, alleging that such instruments are forged or altered, and such refusal shall result in suit being brought against the Member or such bank to enforce such payment and GSBA-RMF shall give its written consent to the defense of such suit, then any reasonable attorney's fees, court costs, or similar legal expenses incurred and paid by the Member or such bank



in such defense shall be construed to be a loss under this Coverage Document and the liability of IRMA for such loss shall be in addition to any other liability under this Coverage Document.

## **II. Definitions**

### **A. Coverage Agreements A through G**

1. Computer Fraud  
The term “Computer Fraud” means theft of property following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the premises or banking premises to a person (other than a messenger) outside those premises or to a place outside those premises.
2. Money  
The term “Money” as used in this Coverage Document shall be deemed to mean currency, coin, bank notes, uncanceled and precanceled postage and unused postage in postage meters.
3. Securities  
The term “Securities” shall be deemed to mean negotiable and nonnegotiable instruments or contracts representing either “money” or property and includes: tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and evidences of debt issued in connection with credit or charge cards, which are not issued by you; but does not include money.
4. Theft  
The term “Theft” means the unlawful taking of “money”, “securities” or “other property” to the deprivation of the Insured.
5. Premises  
The term means the interior of that portion of any building you occupy in conducting your business.
6. Banking Premises  
The term means the interior of that portion of any building occupied by a banking institution or similar safe depository.
7. Other Property  
The term means any tangible property other than “money” and “securities” that has intrinsic value but does not include any property excluded under this policy.
8. Covered Territory  
The term means acts committed or events occurring within the United States of America (including its territories and possessions) and Puerto Rico.
9. Messenger  
The term means you or any “employee” while having care and custody of property outside the “premises”.

### **B. Coverage Agreements A and B**

1. Employees  
The term “Employees” shall mean not only persons compensated by the Named Member, but also those directed by the Named Member
2. Coverage Agreement  
It is understood and agreed that this Coverage Agreement covers Money and Securities of the Named Member or for which the Named Member is legally liable, or which is held by it in any capacity, whether or not the Named Member is liable for the loss thereof. If legal proceedings are taken against the Named Member to enforce a claim for Money and

Securities so held, the Named Member shall immediately notify GSBA in writing.

**C. Coverage Agreements C, D and E**

1. Employer  
The term "Employer" as used in this Coverage Agreement shall mean the Named Member in the declarations.
2. Employee or Employees  
The terms "Employee" or "Employees" as used in this Coverage Agreement shall be deemed to mean respectively one or more of the natural persons, to include any public official, trustee, director, officer or partner, who on the effective date of the coverage or at any other time during the term of this coverage are in the regular service of the Employer in the ordinary course of the Employer's business and who are compensated by salary, wages and/or commission and/or volunteers, and/or whom the Employer has the right to govern and direct at all times in the performance of such service, but not to mean brokers, factors, commission merchants, consignees, contractors or other agents or representatives of the same general character.
3. Occurrence  
All loss caused by or involving, one or more Employees, whether the result of a single act or series of acts.

**III. Exclusions**

Coverage under Section VII - Crime, Agreements A and B do not apply to losses due to:

- A. Any fraudulent, dishonest or criminal act committed by the Member or by any officer, Employee (except Brinks or armored car employees) trustee or authorized representative of the Named Member, whether acting alone or in collusion with others;
- B. Forgery by whomsoever committed.

**IV. Conditions**

- A. Coverage Agreements A and B  
Warranted free of all claims for losses not discovered within the term of this Coverage Agreement and for losses sustained and/or acts committed prior to the effective date but with the understanding that in the event of (a) the expiration of this Coverage Agreement by reason of non-renewal, or (b) the termination of this Coverage Agreement in its entirety, as provided in General Condition, Section III, item 8, Cancellation, the Named Member shall have twelve calendar months following the date of such expiration or termination in which to discover losses sustained between the effective date and the date of such expiration or termination.
- B. Coverage Agreement C
  1. If any reimbursement is obtained or recovery is made by the Employer or by GSBA-RMF on account of any loss covered under this coverage, the net amount of such reimbursement or recovery, after deducting the actual cost of obtaining or making the same, shall be applied to reimburse the Employer in full for that part if any, of such loss in excess of this coverage, and the balance if any, or the entire net reimbursement or recovery if there were no such excess loss, shall be applied to that part of such loss covered by this coverage agreement, or if payment shall have been made by GSBA-RMF, to its reimbursement therefore. The Employer shall execute all necessary papers and render all assistance not pecuniary to secure unto GSBA-RMF the rights provided in this paragraph. The following shall not be reimbursement nor recovery within the meaning of this paragraph: suretyship, insurance or reinsurance; also security or

indemnity taken from any source by or for the benefit of the surety.

2. This coverage shall be deemed canceled as to any Employee immediately upon discovery by the Employer, of any fraudulent or dishonest act on the part of such Employee; or at 12:01 a.m. standard time as aforesaid upon the effective date specified in a written notice served upon the Employer or sent by registered mail. Such date if the notice be served shall be not less than fifteen days after such service, or if sent by registered mail, not less than twenty days after the date borne by the sender's registry receipt.
3. Upon the discovery of any loss under Coverage Agreement C, limit shall be treated as reinstated so as at all times to continue in force for the sum set forth herein notwithstanding any previous loss for which GSBA-RMF may have paid or be liable to pay hereunder provided however that in no event shall GSBA-RMF be liable under this coverage for an amount greater than the limits of liability stated on account of any Occurrence caused by the performance or fraudulent or dishonest acts of any Employee or in which such Employee is concerned or implicated.
4. This coverage will pay for loss that the Named Member sustained prior to the effective date of termination or cancellation of this policy, which is discovered by the Named Member no later than one year from the date of that termination or cancellation.

C. Coverage Agreement D

It is agreed that within the term "Employees" are various public officials of the Named Member, who by state law or local ordinance, resolution, rule, policy or procedure are required to be separately bonded.

D. Coverage Agreement C and D

If payment is due under both Coverage Agreement C and D, payment will apply first to Coverage Agreement D and secondly to Coverage Agreement C, but in no event will GSBA-RMF pay any more than whichever Coverage Agreement, Coverage Agreement D or Coverage Agreement C, provides the higher amount of coverage.

## **Nuclear Incident Exclusion Endorsement**

Endorsement No.: 1

This endorsement forms a part of the Coverage Agreement to which it is attached and is subject to any terms, conditions, definitions and exclusions applicable to Section IV – General Liability, Section VII – Automobile Liability, and Section VIII – Crime, that are not contrary to this endorsement.

1. Coverage provided under the above referenced sections of the Coverage Agreement does not apply:

- A. With respect to any Member or other covered party under the coverage agreement that is also covered under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be covered under any such policy but for its termination upon exhaustion of its limit of liability; or
- B. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the Member or other covered party is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- C. Resulting from the "hazardous properties" of "nuclear material" and/or arising out of the operation of a "nuclear facility" by any person or organization.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, reactive, toxic, contaminating, or explosive properties;

"Nuclear material" means "source material", "special nuclear material" or "by-product material";

"Source material", "special nuclear material," and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

including the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.